Daily Report

Latin America

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Cuba

Opposition Leader Reportedly Arrested

PA1112020392 Madrid EFE in Spanish 0044 GMT 11 Dec 92

[Text] Havana, 10 Dec (EFE)—Sources opposed to the Fidel Castro regime have reported that Elizardo Sanchez, president of the Commission for Human Rights and National Reconciliation (CCDHRN), was arrested by Cuban authorities on 10 December. According to the same sources, Sanchez, who was out of his house all day, was arrested in the home of friends.

A group of more than 20 people stood all day outside the houses of Elizardo Sanchez and Gustavo Arcos, president of the Cuban Human Rights Committee.

Observers reported that by mid-afternoon, the people who surrounded Elizardo's house started to throw rocks at it and managed to enter the garage. They also shouted slogans commonly used as "acts of repudiation."

The same sources reported that Rodolfo Gonzalez, a spokesman for Arcos' group, was arrested early on 10 December.

Prior to his arrest on 10 December, Sanchez called on the Cuban and U.S. governments to accept two recent UN resolutions: the first one related to basic rights and the second to ending the blockade.

Sanchez spoke to EFE and said that both resolutions "are of vital importance to the Cuban people." He added that they have "equal legitimacy because they give a mandate to UN Secretary General Butrus Butrus-Ghali to ascertain, make feasible, and evaluate their compliance."

Elizardo Sanchez recalled that the resolution approved on 24 November rejected attempts to apply national laws outside sovereign territory or to violate commercial or navigation rights, as stipulated by the U.S. Torricelli law.

The CCDHRN leader made those statements from a friend's house "because I have been warned that my house is surrounded and I have been advised not to go there," he said.

Sixth CTC Plenum Calls For Workers To Vote

FL1112000292 Havana Radio Rebelde Network in Spanish 1800 GMT 10 Dec 92

[Text] The call to all Cuban workers to cast their votes in the 20 December elections was the first resolution of the sixth plenum of the National Committee of the Cuban Workers Federation [CTC], which approved the pool of candidates for deputies to the National Assembly of the People's Government. This pool is made up of comrades from all sectors in the country, and headed by Commander in Chief Fidel Castro and Army General Raul Castro. In addition to the 268 precandidates to our legislature, the plenum also agreed on the nominations for delegates to the provincial assemblies.

During the meeting held today in Havana, CTC secretary general, Comrade Pedro Ross stressed the work carried out by the CTC aimed at proposing the most qualified and capable comrades to be in these people's government bodies. Sugarcane contingent and brigade leaders, cane cutters, doctors, teachers, artists, reporters, and 32 scientists from various institutions and provinces appear on the list of candidates.

In a special presentation at the beginning of the sixth plenum of the CTC, Dr. Carlos Amat Fores, the president of the National Electoral Commission, reported that to date, more than 20,000 polling stations have been planned, to elect 13,859 delegates to the municipal assemblies, equivalent to the number of districts.

Amat Fores also pointed out that the polling station committees have been designated, and groups of jurists have already been organized so they can help in consultations, or on questions that are beyond the members of the committee. Amat added that these same conditions have been established in all provinces and that they are working to take care of the final details. Amat said that this was seen in the last meeting that was held with the presidents of the provincial electoral commissions.

Lastly, Carlos Amat Fores pointed out that these elections would be another example of the discipline and organization acquired by our people.

History, Future of Caricom Relations Viewed

FL0812025192 Bridgetown CANA in English 2225 GMT 7 Dec 92

[By Rickey Singh]

[Text] Bridgetown, Barbados, Dec 7, CANA—This week marks the 20th anniversary of a unique initiative by a group of Caribbean Community countries to break the diplomatic, trade, and economic embargo imposed by the United States against Cuba. Acting collectively in an unprecedented move, the four major countries of the English-speaking Caribbean—Jamaica, Trinidad and Tobago, Guyana, and Barbados—established diplomatic relations with the government of President Fidel Castro on December 8, 1972. It was a time of enormous American pressure on Latin American nations to treat the Castro regime as "a political pariah" in this hemisphere. These four countries were also in the forefront in the formation of the Caribbean Community and Common Market (Caricom) which has since grown into a membership of 13 countries of some 5.5 million people; a global import-export trade of approximately U.S.11 billion dollars, or about the size of its external debt.

Caricom is working towards the creation of a single market and economy by 1995 and to inspire the formation of an Association of Caribbean States that would include Cuba, Haiti, Venezuela, the Dominican Republic, the Dutch and French Antilles.

Of the four prime ministers, whose initiative for ties with Cuba came some eight months before the inauguration

of the region's economic integration movement, Caricom, only one is alive today, and no longer in power--Jamaica's Michael Manley. One of the more articulate defenders of the "politics of Castroism" before the final years of bowing out of active politics and resigning early this year as prime minister, Manley has always drawn a distinction between Castro's home-grown brand of "Cuban socialism" with that of "socialism from above" as imposed in Eastern Europe with the blessings of the Red Army and the Communist Party of the Soviet Union.

In a recent interview in the Jamaica GLEANER, Manley said: "I have long opposed the trade embargo against Cuba. Things would have been strikingly different without it. I even suspect that Cuba would be opening up and evolving just like the rest of this region if it hadn't had to stiffen its posture in self-defence over the years..." His colleagues who were also involved in breaking the diplomatic embargo in defiance of the U.S.—an act strongly supported by a then more militant Caribbean Conference of Churches (CCC)—were prime ministers Errol Barrow of Barbados, Eric Williams of Trinidad and Tobago, and Forbes Burnham of Guyana, all three of whom died within five years of each other in the 1980's.

The United States military invasion of the spice isle of Grenada, in co-operation with some Caricom states, in October 1983, in the wake of the bloody coup against the People's Revolutionary Government that numbered then Prime Minister Maurice Bishop among the slain victims, seriously ruptured Cuba-Caricom relations. It led to a long period of hostility by some, and low-profile, lukewarm relations by other members of the 13-member Caribbean Community.

However, by the closing stages of the decade of the eighties, relations between Cuba and Caricom were once more on the upswing, improving enough within the past two years in particular for high-level Cuban delegations to have a presence both at Caricom meetings and important regional conferences organised by European and Caribbean private sector organisations. Outside of growing bi-lateral agreements and official visits between Cuba and member states of Caricom, there is now a Caricom-Cuba joint commission.

Created following Cuba's access to membership a few months ago to the Caribbean Tourism Organisation (CTO), the 13th Caricom summit in Port-of-Spain last July announced that the mixed commission and Cuba in the CTO would both provide "yet other avenues for co-operation."

The Bush Administration has expressed its displeasure over the Caricom-Cuba mixed commission and Caricom governments are hoping, according to one foreign minister, that the incoming government of President Bill Clinton takes "a more enlightened approach to Caricom's relations with Cuba and Cuba as a leading member nation of the Caribbean region." Cuba also regularly attends, as a special guest, annual meetings of the Caribbean Development Bank and shows up with a lobbying delegation at Caricom summits.

Moving away from its originally inflexible approach to a centrally planned economy, very dependent on aid from the former Soviet Union, the Castro government has been showing an increasing interest in economic liberation that makes significant space for joint venture projects with capitalist entrepeneurs from various parts of the world, especially in Europe.

It has been involved from the very beginning in the Europe- Caribbean conference, including the fifth one organised last month in Curacao by the newly-established Caribbean Council for Europe. President Castro himself and his current foreign minister, Ricardo Alarcon, until recently Cuba's permanent representative to the United Nations, are on record as expressing appreciation for the "far-sighted and principled" stand taken 20 years ago by the four Caricom nations when they jointly established diplomatic relations with Havana.

Cuba's non-resident ambassador to Barbados, Trinidad and Tobago, the Bahamas, St. Vincent, and St. Lucia, Lazaro Cabeza, left here Sunday for Grenada to attend the 14th session of the Caribbean Development and Cooperation Committee (CDCC) which pursues its objectives in collaboration with the Economic Commission for Latin America and the Caribbean (ECLAC). Cabezas was full of praise when he spoke to CANA on the stand taken by the Caribbean countries in ensuring passage of a resolution in the United Nations on November 24, urging the repeal of the recently enforced U.S. "Cuba Democracy Act of 1992" designed to tighten America's blockade of Cuba to the extent of punishing third countries doing busines with the Castro government. Barbados and Jamaica were among the 59 nations voting against the so-called "democracy act" while other Caricom states were among the 71 countries abstaining, thereby succeeding in winning the non-binding vote with only Israel and Romania voting with the U.S.

Following this unexpected defeat, the outgoing George Bush administration immediately moved to reintroduce another resolution designed to get the United Nations Human Rights Commission to condemn Cuba's record of human rights violations. The Cubans have reacted with a resolution of their own, urging non-aligned nations to urge the UN Human Rights Commission to take note of the Castro government's continuing co-operation with the commission and the UN Economic and Social Council (ECOSOC) in honouring their resolutions.

The Caribbean Community countries are leaning towards abstention on both the U.S. and Cuban resolutions.

Ambassador Cabezas, who met with Foreign Minister Maurice King during his visit to Barbados and also with CTO officials, said that Cuba was planning an international meeting in Havana from April 6-7 next year on "Business Opportunities for Caribbean Countries."

The agenda for the meeting includes: current business possibilities in Cuba; trade, counter-trade; investments; production agreements, and joint ventures.

Also on the drawing board are plans for the first international workshop on crime in the Caribbean, scheduled for Havana around mid next year—an issue to be discussed at the forthcoming conference in St. Lucia on crime and tourism, at which Cuba will be among participating countries. While in St. George's, Cabezas is expected to discuss new non-resident diplomatic representations between Grenada and Dominica. He said that there were also "very encouraging indicators" for relations between Cuba and Dominica, the latter being among St. Kitts and Nevis and Antigua and Barbuda, still to establish diplomatic ties with Havana.

Ambassador Cabezas, who met with Foreign Minister Maurice King during his visit to Barbados, and also with CTO officials, said that Cuba was planning an international meeting in Havana from April 6-7 next year on "business opportunities for Caribbean countries." The agenda for the meeting includes: current business possibilities in Cuba, trade, counter-trade, investments, production agreements, and joint ventures. Also on the drawing board are plans for the first international workshop on crime in the Caribbean, scheduled for Havana around mid next year—an issue to be discussed at the forthcoming conference in St. Lucia on crime and tourism, at which Cuba will be among participating countries.

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Commentary on Haitian Refugees' Situation

PA1012132692 Havana Radio Havana Cuba in Spanish 0000 GMT 10 Dec 92

[Roberto Morejon commentary]

[Text] The Haitians, who have been intercepted by the U.S. Coast Guard during their voyages to Florida, have been forced to do quite the opposite of what they thought they would do. Many of them have been repatriated to their country, while others have ended up in the naval base, which Washington illegally occupies, in the Cuban Guantanamo province. The camp, which the United States set up in its enclave located in Cuba's extreme eastern area, has caused the Haitians very bitter moments. The installation was intended for approximately 1,500 refugees, but more than 10,000 people occupied it before U.S. President George Bush ordered they be repatriated last May.

The almost 38,000 Haitians who tried to find refuge and real jobs in the United States, have been forced to return to their country by the U.S. Coast Guard, who did not even allow them to express the dire reasons, based on poverty and repression, that prompted them to go into the Caribbean Sea in unsafe boats.

Although the number of Haitian refugees in Guantanamo has diminished significantly due to the forced repatriation, the ones who remain in the camp suffer the difficulties of their virtual confinement. A Yale University human rights group recently asserted that 276 Haitians, who have AIDS and are detained at the Guantanamo base, live without any medical attention and in conditions that recall the fateful prisoners camps of WWII.

The Constitutional Rights Center, which includes students, professors, and lawyers who graduated from Yale's Law School, noted in its report that the Haitians in Guantanamo have to endure overflowing latrines, obstructed lavatories, showers that are mosquito-breeding areas, and unprotected dormitories.

The difficulties endured by all the Haitians who have been in Guantanamo or are still there, cast doubts on the Bush administration's alleged zeal to get international respect for human rights. The richest country on the planet refuses to give refuge to the victims of Haitian military terror and hunger. It returns them to their hostile environment or retains them in Guantanamo in inhuman conditions because of the odd way of implementing the U.S. laws.

* Morale, Productivity in Closed Factory Viewed

93CA0025A Havana BOHEMIA in Spanish No 43, 23 Oct 92 pp 38-40

[Article by Caridad Carrobello]

[Text] The huge factory looks like a sleeping giant. With their darkened shapes, polyethylene-swathed motors convey a certain sadness about the forced absence of the workers. They are quiet. They wait.

Someone at my side says that doing a tough production job is relatively easy. It is enough to love your work and devote your maximum efforts to it. But when the plant is shut down without any date set for returning to work, and with uncertainty about future fuel or raw materials supplies, that is something else. Neither the press nor ordinary people pay much attention to this. And yet there are stories here that deserve to be heard.

The Santa Cruz del Norte Cardboard and Paperboard Factory in Havana Province is the second largest of its type in the country. It was opened in 1988, built with Polish technology at a cost of 68 million pesos. It has been shut down for an indefinite period because of Cuba's growing shortage of raw materials and fuel.

However, its employees are not sitting idly at home twiddling their thumbs, nor are they out looking for new jobs. Juan Ramon Perez, the plant's chief engineer, explained to me:

"Of the 483 workers on the payroll, we have 253 at the plant and the rest are working in high demand areas, working in agricultural self-sufficiency programs, or are simply being relocated to nearby places, so their services will be available when the time comes to return."

Everybody Is Working

[Carrobello] How can over 200 people be working if nothing is moving here, not even a single cogwheel?

[Perez] Now is the time when it is hardest to work, but everybody is working. In July 1990, we were faced with a dilemma; shutting down the plant without any experience in maintaining the equipment [when idle]. The headaches grew even worse when we were told that we had to shut down for an indefinite period of time, but in a way that would make an immediate startup possible.

[Carrobello] So it was something like an order to "stop, but remain on alert"?

[Perez] Exactly. It meant we could not adopt the traditional extended maintenance plan with dismantling, disassembly, and even removal of the most sensitive equipment to more suitable places. We had to use a different approach.

[Perez] We discussed this with the technical personnel, the production and maintenance crews, and all the people whose experience would be helpful. We came to the conviction that if we were able to protect the equipment from the corrosion damages that are routinely caused by humidity, nearly 90 percent of the battle would be won. The rest would be a matter of preventing other types of damage.

Adjusting Bolts?

They explained to me that all the equipment is lubricated, that weekly maintenance is done involving rotating axles, short startups, painting, putting things in order, cleaning—whatever mechanical, electrical, and instrumentation preventive maintenance jobs may be required.

Nor do the comrades in the physical protection department overlook anything. They selected a group of workers who used to work in production to reinforce security services, just in case someone might try to cause some damage.

They are also using this period to introduce technical improvements, which would have been impossible while the plant was operating. This was done with the hoisting equipment. There they built a ramp that will help get the raw materials to the machinery even if this equipment—the hoisting gear—should break.

"Do you know if these maintenance jobs are really working?" I asked.

Juan Ramon Perez answered: "The proof we have is that after an eight-month shutdown, 72 hours after startup we reached stable production without any motor being damaged or any significant malfunctions."

Inventive People Have Not Been Idled

I was surprised to see that people from the Santa Cruz del Norte Cardboard and Paperboard Factory have prepared 15 presentations for the Seventh National Forum on Advanced Technology, Parts, and Equipment to be held this year; 13 of them have already been tested, and are ready for application.

Guillermo Rodriguez, who heads these innovative activities, told me that they are basically related to improvements for the acid tank, the pulp sprays, and fuel conservation.

"From its inception, this plant had magnetizers of Polish origin, but we did not know how to use them. Juan Carbonell of the Petroleum Enterprise provided major assistance in teaching us how to use them in the water processing plant and the boiler."

"Now the magnetization system has also been installed in the diesel and gasoline lines, in the vacuum pump, the cooling system, and the automatic irrigation pump to save fuel in vehicles."

"We are also using scrap materials to build 25 permanent magnetizers. This is a joint project with another Santa Cruz plant, the Camillo Cienfuegos Industrial Automation Center [CAI], and other factories in the Paper Union. We are also using scrap materials to build seven fuel emulsifiers and three electromagnets, and this will produce energy savings for the municipality."

Providing "Maintenance" for the Workers

I asked: "What about morale; how do the people feel now that they are not producing either cardboard or paperboard?"

They told me there have been no significant resignations or transfers. The most highly skilled workers have not left, despite the uncertainty caused by the plant being shut down for months, with sporadic startups just to meet demand for certain types of packaging.

Mercedes Gonzalez, who heads the group that produces secondary items like notebooks, masks for children's birthday parties, and pads, among other items, says the workers were told why the plant had to shut down and the need for them to work on other jobs. Then she says:

"Things are not too bad when we have something to do, as that makes us feel useful."

Roberto Martinez Bravo is the man who, though not a tailor, sewed the "pants" for parts of the polydisk filter. This maintenance job in a time of paralysis for the industry meant that they did not have to import new items from abroad, saving substantial foreign currency.

"We cannot complain. Even in these hard times we have a workers' cafeteria, and we can get locally produced

food, and there are sugarcane juice and soft drinks available to buy. The people in the administration, the party, and the union come to see us, and they are always asking how things are going with us and what we need."

I was introduced to Alberto Batista. He has one of the tough jobs at the factory; when production is going on, he operates a cart that in the end weighs more than a locomotive; it is his job to retrieve all the paper that falls onto the equipment housings.

Now he is not doing this very demanding job, but he does not simply hang around. Sometimes when it is quitting time he and Roberto are still involved in some maintenance job, because they want to fix everything and keep the factory in good condition.

"A closed plant," says Alberto, "is more work than one that is operating, because the humidity and oxide quickly cause problems when the equipment is not in use."

"So, because we do not want to lose the millions of pesos that were invested here, we are putting in these hours lubricating, painting, staying on top of whatever problem arises. When I get home I realize that I have not even had enough free time to get a drink of water!"

* Spanish Assistance in Renovating Aqueduct Reported

93P40061B

[Editorial Report] Havana GRANMA in Spanish of 19 November 1992 on page 2 reports that, according to Tomas Rodriguez Bolanos, mayor of Valladolid and president of the Iberoamerican Organization for Intermunicipal Cooperation (OICI), the OICI will lead a project to renovate the Albear aqueduct, one of Havana City's main sources of water. Following a preliminary study by engineers, Spanish companies will be selected to proceed with the renovation.

* New Director of TRABAJADORES Named

93P40061A

[Editorial Report] Havana TRABAJADORES in Spanish of 23 November 1992 on page 4 reports that Frank Aguero Gomez, former director of VERDE OLIVO and BASTION, has been named the new director of TRABAJADORES. The article further states that he is replacing Jorge Luis Canela, who will be doing work for the party at the level of the Central Committee.

Inter-Caribbean Affairs

Caricom Plans 'Tough' Environmental Laws

FL1012012792 Bridgetown CANA in English 2305 GMT 9 Dec 92

[Text] Kingston, Jamaica, Dec 9, CANA—Tough new guidelines could be in place in Caribbean Community countries by 1995 to regulate liquid waste disposal, particularly industrial effluent.

Executives of industries refusing to comply with the regulations would be asked to pay penalties or face prosecution and even imprisonment if the regulations proposed by the Caribbean Environmental Health Institute (CEHI) are ratified by regional governments. Businesses could even face closure if violations are repeated.

About 50 delegates from northern Caricom countries including Jamaica, Belize, Bahamas, St. Kitts and Nevis, Antigua and Barbuda, and Montserrat met in Jamaica last week under the auspices of the CEHI, and developed guidelines and regulations which they hope will be accepted by regional governments next year, and imposed by 1995.

However, Jamaica, which already has an administrative body in place—the Natural Resources Conservation Authority—is gearing to impose penalties by January 1994, Singh told journalists. Naresh Singh, executive director of the Caribbean Environmental Health Institute (CEHI), which organised the seminar, said the guidelines were particularly aimed at those industries traditionally associated with industrial effluents. Such companies included sugar factories, soft drink plants, breweries, distilleries, citrus processors, slaughterhouses and meat processing plants, dairy products plants, bauxite and alumina plants, and sand and gravel washing plants. Sewage plants will also be a prime target.

Delegates at the three-day seminar which ended here last weekend stressed that guidelines and regulations governing pollution were particularly important because of the growing importance of tourism to the region and the ever increasing threat of Cholera.

Jamaica's tourism and environment minister, John Junor, who addressed the seminar, urged that international funding agencies rationalise their approaches to environmental problems facing the Caribbean. Junor said the region was been approached by too many organisations addressing the same environmental issues "... Creating replication at all levels ...." He said loan and grant funds from the various agencies could be more effectively used "if we could all agree as to what needs to be done."

"We (Caribbean governments and organisations) need to sit with them and to tell them what our needs are ..., to ask which organisations will do what, as opposed to everybody rushing in, doing the same thing and having one million conferences that really yield nothing, and studies that yield no action," Junor said.

Another workshop for southern Caribbean countries was scheduled for Trinidad and Tobago this week.

Haiti

Bazin To Install CEE Members; Publishes List

FL0912182692 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 9 Dec 92

[Text] In a communique signed by the head of government, Mr. Marc Louis Bazin says he will take all official measures to install the Exceptional Electoral Council [CEE] in the next few days so elections can be held in the country, since the legislative power [pauses] about 60 parliamentarians issued a resolution selecting three persons to represent them on the Permanent Electoral Council. The nine persons selected for the electoral council are as follows: The executive has chosen Jean-Robert Legros from the North Department, Franck Charles Pierre from the Northeast Department, and Jean-Francis Merisier from the Grand'Anse Department. The prime minister had already announced that the Court of Cassation has chosen (Joseph Duchene), representative of the West Department; (Balthazard Saint-Phard Line), representative of the Southeast Department; and Michel A. Sylvain, representative of the Northeast Department. The legislative has chosen Ulrick Desire, representative of the Artibonite Department; Bernadotte Larosiliere, representative of the South Department; and (Joseph Apollon), representative of the Center Department.

Political Parties React

FL1012214192 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 10 Dec 92

[Excerpts] The Mobilization for National Development has announced that it has no problem with the senatorial elections, but that it condemns the electoral council, which Professor Hubert De Ronceray says does not respect the provisions of the Villa d'Accueil Agreement.

The National Democratic and Progressive Party of Haiti [PNDPH] says in a note signed by Senator Turneb Delpe that it supports all those who have rejected the Exceptional Electoral Council [CEE] which was set up without the consent of the Haitian parliament. The PNDPH calls on all political parties and organizations to rise up to prevent this violation of the 1987 Constitution.

Another reaction is that of the Nationalistic and Progressive Revolutionary Party of Haiti [PANPRA], which has decided to send candidates to represent the party in the next legislative elections in at least five geographic departments in the country. According to Arnold Antonin, a member of the PANPRA executive office, the party will choose candidates to represent it in the Department of the West, in the Department of the Southeast, in Plateau Central, in the Department of the Northeast, and in the Department of the North. Antonin says the actualization of the upcoming legislative elections might [corrects himself] will be a major step toward a way out of the country's crisis. Concerning those who do not approve of these elections, Antonin thinks it is a group of people who would like to see the country fall into darkness, who might favor foreign intervention on Haitian soil. [passage omitted]

There are other parties that have also decided to participate in these elections. For example, the National Patriotic Movement of 28 November [MNP-28], headed by Sen. Dejean Belizaire, announced that it will meet very soon to determine whether they will choose candidates to represent their party in the legislative elections to be held in Haiti.

Mondestin Urges 'Total Struggle'

FL0912191592 Port-au-Prince Radio Metropole in French 1145 GMT 9 Dec 92

[Text] The parliamentarian opposition and the National Reconstruction Movement, MRN, have condemned the initiative forming an Electoral Council [CEP] to hold elections under conditions as we know them. The MRN is calling for mobilization. Let us listen to Senator Rony Mondestin, who says he is ready to fight to prevent the formation of the Electoral Council.

The senator from the North urges the nation's vital forces to concerted action to block what he calls political maneuvering by Prime Minister Bazin and National Assembly President Dejean Belizaire.

[Begin Mondestin recording, in Creole] We heard that they chose three people. We recognize neither the convening, the CEP, nor the assembly. I have always said that, as a parliamentarian, I have my limits in a democratic struggle and that the elections are, above all, the concern of political parties. They will compete with the independent candidates and also with politicians. It is time that all concerned citizens, all sectors in the country, lawyers, professional people, students, businessmen, military institutions,—because it is clear that confrontations, and some deaths, will result. [sentence as heard]

In the event of confrontation, the Haitian Army will be used as cannon fodder to repress the population for them. I think that it is very serious and those men are capitalizing on what I call the momentary political weakness of the Armed Forces of Haiti on the scene. That is what they are taking advantage of, because the Haitian Army is weakened, because the Haitian Army got too deeply involved in politics.

The Haitian Army has the question now in hand but hesitates to take action. Certainly some of them agree with what is taking place, for one reason or another. In all of that, as I have already said, I, myself, and other parliamentarians are in a total struggle in all kinds of ways. Because what those men chose is obviously violence, a political violence, a psychological violence toward the populace. [end recording]

Leaders Seek Bazin Resignation

FL1012174592 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 10 Dec 92

[Text] The leaders of several political parties in the country have signed a resolution asking for the resignation of the head of the consensus government and the implementation of Article 149 of the 1987 Constitution. According to these political leaders, the consensus government's policy has caused an increase in the cost of living besides the [loss in value of the] gourde, which is declining each day in relation to the U.S. dollar.

These political officials, in condemning the way the rulers have formed the Permanent Electoral Council [CEP], point to the case of Franck Charles Pierre, who was chosen as the Northeast's representative on the CEP even though his name was not on the list of any departmental assembly. For these and other reasons, the political leaders signing this resolution have rejected the formation of the CEP and have asked that steps be taken to allow everyone in Haiti to participate in the work of stabilizing political life and forming a true national union government.

The resolution is dated 8 December and signed by several political leaders including Hubert De Ronceray for the Mobilization for National Development, Frantz Verret for the National Rally Party, Reynold Georges for ALA [expansion unknown], and Jacquelin Montalvo Despeignes for the Liberal Progressive Party [Parti Liberal Progressiste, PLP].

Pro-Aristide Committee Criticizes Council

FL1012182392 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 10 Dec 92

[Text] One of the latest reactions to the formation of the electoral council comes from Father Aristide's committee, which condemns President of the Senate Dejean Belizaire because he convened the members of the Office of the National Assembly last week; the committee says the Constitution never refers to such an office.

The committee levels criticism at the way the electoral council was designated an Exceptional Electoral Council while everyone was expecting a Permanent Electoral Council. The presidential committee, (?linking) the formation of the electoral council to the murders in the country in the past few days, asks that all those who were elected in the 16 December 1990 and 20 January 1991 elections be allowed to return to their posts to continue their mandates from the Haitian people.

FNCD Parliamentarians Oppose Formation

FL1012224992 Port-au-Prince Radio Metropole in French 1700 GMT 10 Dec 92

[Text] The parliamentary opposition contests the formation of the Permanent Electoral Council, CEP, and are preparing to submit its case to the Justice department. Guilloto Francois has more details:

[Francois, in Creole] The parliamentarians from the National Front for Change and Democracy, FNCD, are ready to oppose the resolution issued by the alliance on 7 December regarding the formation of the Exceptional Electoral Council, CEE. In a news conference on 9 December, the FNCD parliamentarians announced steps that the bloc will begin with the Audit Supreme Court, and administrative litigation to block the resolution. The FNCD senators and deputies intend to present the alliance's document to the Supreme Court. The FNCD parliamentarians ask the Court to defer the decision to have representatives [as heard] in the electoral council. According to the FNCD parliamentarians, the Exceptional Electoral Council, CEE, could make appointments, but not hold elections. They name, at the top of their list, National Assembly President Dejean Belizaire for Artibonite, Serge Gilles for Plateau Central, Arnold Antonin for the Department of the West, etc. What, however, is the objective of the CEE? An FNCD parliamentarian lists some purposes:

[Begin unidentified parliamentarian recording, in Creole] First, it is to throw out the FNCD and its allies, meaning the democrats in the Senate—not just the FNCD democrats; there are other democrats not part of FNCD—to throw them out in favor of a totalitarian power. The second objective is to control two thirds of the Senate. They would have two thirds of the Alliance, because once they hold the majority in the Alliance, they will keep it, as long as money is forthcoming. Once they control two thirds of the Senate, they know that Aristide, the president elected by the people, is coming back [as heard]. They know so because the Haitian Army, [word indistinct] the Haitian Army is aware of the situation. They know everything that is going on. The objective is to allow them to hold two thirds of both chambers, and then try the president. They are men preparing a war against the nation, against six million inhabitants. That is the objective of the quote, Misleading Electoral Council [Conseil Electoral de Deception], unquote. [end recording]

[Francois, in Creole] According to FNCD members, the Exceptional Electoral Council is the initiative of the parliamentarians from the alliance, not from the National Assembly office, because the parliament should meet in National Assembly to vote on the formation of the council. The FNCD parliamentarians asserted that the renewal of a third of the Senate is important. The current proposal is not, however, appropriate for that. The FNCD representatives in parliament denounce such political parties as PANPRA, the Nationalistic and Progressive Revolutionary Party of Haiti; MNP-28, the National Patriotic Movement of 28 November; and MIDH, the Movement for the Establishment of Democracy In Haiti; which, according to the Front senators and deputies, are creating an atmosphere of destabilization in the country.

[Begin unidentified parliamentarian recording, in Creole] We regret that a political party such as PANPRA, such as MIDH, and MNP-28 with Serge Gilles as

a leader, men with courage and a promising philosophy.... [pauses] it is necessary to block the road to anarchy, arbitrariness, and macoutism. These are the same men today, who, through the deputies in the chamber, through the senators in the Senate, now say that the Constitution is only paper, and that the pen that wrote it, a bayonet. We say that it is very unfortunate to see the same men who asserted that we must have a state of law, those three political parties, encouraging arbitrary measures; MIDH implementing dictatorship in Haiti; and MNP-28 consolidating crooked dealings in the country. [end recording]

[Francois, in Creole] The FNCD parliamentary bloc condemns the situation of violence that began over the last few days in Haiti. Finally, the FNCD senators and deputies call on the senators and deputies of the Parliamentary Cohesion Bloc to stop the blackmail that is threatening possible dismissal of the Senate by the Haitian Army.

Antonin on PANPRA Support for Elections

FL1012181592 Port-au-Prince Radio Metropole in French 1145 GMT 10 Dec 92

[Text] The National Front For Change And Democracy Parliamentary Bloc, BP-FNCD, held a press conference on 9 December to condemn the formation of the Exceptional Electoral Council.

Arnold Antonin counters the remarks made by opposing senators regarding the support that the Nationalistic And Progressive Revolutionary Party of Haiti, PANPRA, offered to the formation of the Permanent Electoral Council, CEP. The PANPRA leader rejects statements making him the West senator in fraudulent elections.

In an interview given to Radio Metropole, Arnold Antonin calls those statements slanderous, pointing out that the regard for him by the inhabitants of the West Department is the positive result of initiatives undertaken in the community. Antonin refrains from announcing his candidacy for the senatorial elections. He points out, however, that if PANPRA names him a candidate, he will accept. PANPRA's Antonin asserts that the renewal of the Senate is necessary through elections.

[Begin Antonin recording, in Creole] A sophism now spreading sounds like logical reasoning. Some people are saying that if the executive is running while the president is absent, why can't the Senate function without one-third of its members? I call this a sophism because it is apparently logical. If a body is lacking an arm, why can't it function with only one? That is the reasoning.

I call it a sophism because it appears logical and many people are repeating it. It is not at all logical, because certain things are too much for one body. When you remove one arm and then take away another, nothing is left; everything will collapse. As far as we are concerned, it is with absolute, patriotic logic and with a political vision of the dangers the country is facing that we say, in the logic of negotiation, we must maintain a minimum of institutional legitimacy, a minimum of institutional functioning in the country. This is our reasoning. [end recording]

[Announcer] Arnold Antonin is a member of the political party PANPRA, an unlucky candidate in the 1990 elections.

CONACOM Condemns Violence, CEP

FL1012234492 Port-au-Prince Radio Metropole in French 1700 GMT 10 Dec 92

[Text] The National Congress of Democratic Movements, CONACOM, members met with the press today to condemn the recent acts of violence reported in the country, and reiterated their opposition to the formation of the Electoral Council. Guilloto Francois has the following report:

[Francois, in Creole] [Words indistinct] CONACOM is holding at its premises on 10 December. During the news conference, Victor Benoit, the party's secretary general, announced that he asked the government to hold an investigation to find the guilty people, the murderers of engineer Jacques Derenoncourt who disappeared on 2 December and was found dead on 4 December in Morne-Cabrit.

During the same conference, Benoit also condemned all acts of violence now taking place in Haiti. The CONACOM members stated that this movement of violence in the country reflects illegality on the Marc Bazin government, and that it is a time aimed at repressing the democrats in Haiti. They also condemned the governmental decree relating to formation of the Electoral Council, adding that such an Electoral Council was slanted and monstrous. They renewed the call for quick, true, solid negotiations. They called on the Haitian Army to play an important role, the role it is meant to assume, the essential role of leading the country well, away from the situation of violence starting up in Haiti.

That is how the conference began, with three important points being emphasized: for the government to seriously investigate the murder of the party's members, as well as the acts of violence that armed civilians have lately been perpetrating on the people of Haiti. They also condemned the way the government has chosen to form the Permanent Electoral Council and renew their call for quick, true, solid negotiations. Guilloto Francois, from CONACOM, for Radio Metropole.

Jamaica

Minister Threatens Military Use in Bank Strike

FL0912231692 Bridgetown CANA in English 2150 GMT 9 Dec 92

[By Garfield Myers]

[Text] Kingston, Jamaica, Dec 9, CANA—Jamaica's Finance Minister Hugh Small has threatened to use soldiers to access cash locked away in the island's Central Bank vaults as a strike of 400 unionised staffers entered a fifth day Wednesday [9 December].

As the workers picketed the Bank of Jamaica (BOJ) complex, the strike has forced the management and the Jamaica Stock Exchange to operate from a nearby hotel and a private brokerage, sources said.

Small's statement in response to questions from opposition members in the House of Representatives late Tuesday followed unconfirmed reports that some commercial banks were running short of cash following the shutdown of the BOJ.

"If it becomes necessary and bearing in mind the fact that the BOJ is an essential service, I will ask the ministry of defence for the assistance of the Jamaica defence force, so we can gain access to those parts of the bank in which money is safeguarded so it can be be removed from there and made available to the public," small said.

The minister said "contingency measures" were in place to have one of the larger commercial banks carry out some of the functions normally assigned to the Central Bank. He stressed, however, that available evidence so far suggested that "the shortage (of notes and coins) is just what is normal at this time of year."

Central Bank workers went on strike last Thursday in protest against the government's refusal to give details of the recommendations for salary increases by the public sector's salary review board. The workers have insisted that they will not resume work until their demand is heeded.

The Ministry of Labour which has been seeking since last week to negotiate a work resumption has set another meeting for Thursday between the Bustamante Industriual Trade Union (BITU) representing the workers and government representatives.

Small warned that "if there is no resumption of work, appropriate action will have to be taken under the Labour Relations and Industrial Disputes Act (LRIDA)." The act makes it illegal for essential service workers to go on strike and allows for legal action to be taken against them.

Small suggested that in requesting information on the salary review board's recommendations, the Central Bank workers were seeking special treatment compared to other public sector bodies. Teachers, civil servants and air traffic controllers, are others due salary increases as recommended by the salary review board. The government has insisted that the payments will not be made until early next year.

"Prudent management of the public finances requires that the government must be in a position to assess the impact of the claims before committing itself to any course of action," Small said. This was necessary he said if the government's overall aim of "constantly lowering the rate of inflation" is to be realised. The inflation rate for the last financial year was over 100 percent on a point to point basis. However, the government claims the rate has been substantially reduced in recent months.

Trinidad and Tobago

NAR Retains Control of Tobago Assembly

FL0812154092 Bridgetown CANA in English 1406 GMT 8 Dec 92

[Text] Scarborough, Tobago, Dec 8, CANA—The National Alliance for Reconstruction (NAR) retained control of the local government Tobago House of Assembly (THA) in elections held on Monday [7 December].

The last results, announced shortly before midnight on Monday, gave the NAR 11 seats - the same number it held in the previous assembly - with the People's National Movement (PNM) retaining its single seat.

The PNM which forms the central government of Trinidad and Tobago has always fared badly in Tobago House of Assembly elections.

Former Prime Minister ANR Robinson developed the THA as his power base before leading the NAR to victory over the PNM in national elections in 1986. The PNM recaptured the government last year from the NAR.

Conceding defeat, Prime Minister Patrick Manning said: "There is a major job that has to be done by the PNM in Tobago."

Elections and boundaries commission officials reported a 56.2 per cent voter turn-out.

Sugar Industry Workers Strike for Wage Arrears

FL0912163092 Bridgetown CANA in English 1220 GMT 9 Dec 92

[Text] Port of Spain, Trinidad, Dec 9, CANA—Four thousand sugar industry workers in Trinidad and Tobago are on strike.

On Tuesday [8 December], the strike caused a shut-down of two refineries.

"The workers have reached the end of their patience and they have gone on [words indistinct] of the All Trinidad Sugar and General Workers Trade Union (ATSGWTU) Basdeo Panday told CANA.

Workers at Caroni Limited, the lone sugar company, are demanding that government give them 55 million dollars (one TT dollar - 23.5 US cents) in back-pay arrears dating back ten years.

Panday said that the union did not advise workers to take strike action. "They decided that on their own, but we support the workers 100 per cent," he remarked.

Panday, who is also the country's opposition leader, said that the government had promised to pay the workers before the start of the 1993 sugar crop. The harvest begins around the first week in the new year.

"Apparently, the only way to get what is owed to you from government is to go on strike," he said.

The People's National Movement (PNM) government, which came to power almost one year ago, has faced strike action from electricity workers, oil industry and water and sewerage workers, demanding money from government.

Three months ago, Panday undertook a 40 mile protest walk over a three day period from the Usine Ste Madeliene Sugar Factory in the southern region to Port of Spain to demand a date for payments.

At the end of his journey, the union leader promised to stage another protest march - of 90 miles - if government did not pay workers by January.

Panday said while the sugar company acknowledged the debt to workers, government has the funds to pay them.

The workers are also contemplating moving their protest action from around several offices in the industry, where camps have been pitched, to Port of Spain on Wednesday.

Minister Asks WASA Employees To Return to Work

FL0312234792 Bridgetown CANA in English 1614 GMT 3 Dec 92

[Text] Port of Spain, Trinidad, Dec 3, CANA—Public utilities Minister Morris Marshall Wednesday [2 December] night appealed to workers of the state-owned Water and Sewerage Authority (WASA) to call off a two-week-old protest over pay and return to work.

"I call upon the employees at WASA who are engaged in industrial action to return to their jobs promptly while efforts continue to resolve the situation," Marshall said in an address to the nation. The minister also instructed management of WASA "to do whatever they can" to secure the company's plant and equipment "so that no one may take advantage of this impasse" and also to ensure that existing arrangements for providing water and waste water services continue.

The 3,000-odd WASA workers who have been off the job are pressing the government to pay them an estimated TT70 million dollars, representing arrears resulting from a 1987 decision to suspend a cost-of-living allowance for public workers, and pay increments. Marshall acknowledged the protest had disrupted water supply to various parts of the country. He also said continued protest could have an adverse impact on pre-condition arrangements for accessing international funding needed by WASA. He said U.S.40 million dollars in external funding was available to WASA to cover the cost of major projects which would result in significant improvements of the country's water supply.

"A pre-condition for this international funding is that the utility must urgently address the problems of inefficiency and waste. The continuation of industrial action will impact negatively on these arrangements." Marshall said the current crisis at WASA was a sympton of numerous problems which have plagued the utility from its inception in 1965 and which were never seriously addressed.

"One of these relate to the unsatisfactory state of the utility's finances. At present, the total indebtedness of WASA stands at approximately 700 million dollars," he remarked. These include 125 million dollars in outstanding arrears for Pay As You Earn (PAYE) and health surcharges, 12 million dollars for national insurance, 65 million dollars to the electricity company, 70 million dollars in arrears to employees, 179 million dollars to creditors, 132 million dollars in bank overdraft and loans, and 105 million dollars to accounts payable.

Marshall said government was concerned about these problems and following a cabinet-appointed committee to consider the operations of the utilities, it was decided that WASA's management should be strengthened. The new team was mandated to restructure the finances of the utility, upgrade accounting systems, decentralize the operations of the utility to provide for semi-autonomous district offices, improving and upgrading the database with respect to both employees and customers, and completing arrangements for funding capital projects.

Marshall said workers at the company had been "uneasy" about the inability of WASA to meet financial obligations in full, despite the implementation of a schedule of payments of 400 dollars monthly to the monthly-paid staff towards liquidation of the arrears. To-date, some 16 million dollars has been paid under the arrangement which was agreed on last year, he said. Marshall said the demand of the Public Services Association (PSA) to pay 4,000 dollars to each worker before December 15, was difficult. The government has offered to pay each worker 2,800 dollars, but the offer was rejected Wednesday by the union, and the workers voted to step up their protest.

* Aguilar Camin Views Textbook Dispute Factors

93CA0031A Mexico City NEXOS in Spanish No 178, Oct 92 pp 33-37

[Commentary: "Textbooks: the Context of the Texts," by Hector Aguilar Camin, editor of NEXOS]

[Text] Today, as was the case previously, most of the intense discussion taking place on textbooks reflects the notable fact that it deals very little with the books themselves but rather a great deal with the historical, political, or moral convictions of those taking part in the debate. The present argument also has another feature in common with previous discussions: it is taking place in terms of a number of images created in the first few days of the debate by newspaper versions of what was said or political attacks on the books. Since then the discussion has followed its own impulses without reference to the textbooks or it refers to them only to find what previous images approved of.

[Hector Aguilar Camin is an historian and editor of the magazine NEXOS. Among his books are: "Despues del milagro" [After the Miracle] (Cal y Arena, 1989), and "La guerra de Galio" [The Gallic War] (Cal y Arena, 1991).]

Soledad Loaeza has reminded us in timely fashion in the pages of LA JORNADA that when textbooks have appeared, and before they became teaching instruments, they have been forums serving a cathartic purpose where political tensions and various public differences have been aired. (See her article, "Los libros de texto gratuitos y la tradicion del Estado educador" [Free Textbooks and the Tradition of the State As an Educator].) The resistance to textbooks during the Lopez Mateos period was commercial in origin and was so effective that it prevented the distribution of the textbooks in Monterrey for a year. The textbooks of the Luis Echeverria period had the initial focus of resistance to the Church. Although prior to their publication negotiations were held for one year with all sectors of opinion, to this very day private schools have tended to minimize their use in favor of other materials.

The reaction against history books currently in use was initially focussed on resistance to them in the Party of the Democratic Revolution [PRD] in the dual areas of the backward looking Left 363 and the cultural guerrilla movement, in a group of journalists, and among teachers' leaders in the CNTE [National Coordinating Board of Education Workers] and the SNTE [National Trade Union of Education Workers].

Now, as was previously the case, they relieve their tensions by criticizing statements which do not fit in with the textbooks. The textbooks become, once again, forums serving a cathartic purpose for the discussion of other things. By this I am not trying to say that criticisms of the textbooks are perverse inventions or that in the passionate way in which they are discussed there is not a genuine concern for history and the teaching of history. One the contrary, one of the fortunate things about this summer storm is that it will help to achieve precisely what the new textbooks have been trying to do: giving new dynamism to the study of our history at a time when the shape of the world is being recast and when we need to study our history more than ever. We need the study of our history as an instrument for establishing our identity, of course, but also as a source of knowledge and confidence in our own complexity, in our historical richness. Among other, central aspects, our history is a harsh succession of mixtures, shocks, and acts of integration, although we may have spent so much time in denying these elements and reducing them to a narrow, xenophobic, defensive, and folksy view of our Mexican identity.

The passion for history is of long standing among the Mexican people, and I not only would not wish to deny this feeling but rather to encourage it. Nevertheless, today as previously, the textbooks are a crossroads for battles which do not belong there. I believe that four contexts could be identified which are foreign to the books which nourish and stimulate their discussion. In the first place there is the context of the presidential succession. Secondly, there is the struggle by the leaders of the teachers for their place in the educational reform under way. Thirdly, there is the Post-Michoacan prudence of the PRD. Fourthly, there is the journalistic and cultural guerrilla war, a more or less malignant extension of Stalinism, which is being conducted against NEXOS and against me individually. Finally, and now closer to the textbooks themselves, it seems to me that not so much a political context but a cultural paradox should be emphasized: the incredible importance which the official history of the past struggle has had in the criticism of new history books.

The first consideration is quite clear, and I will refer to it briefly, although it may have its greatest importance as a source of the controversy. This refers to the fact that the present educational reform is closely linked to the name and the political future of one of the contenders for the PRI [Institutional Revolutionary Party] nomination for the presidential elections of 1994. The other four contenders, who are not very well known publicly, are: Pedro Aspe, Manuel Camacho, Luis Donaldo Colosio, and Fernando Gutierrez Barrios.

It is not possible to document the details of this contest for the presidential nomination and as this is reflected specifically in the discussion of textbooks. However, its symptoms are clear in the minds of all Mexicans who understand something of the hidden meaning of their political life. The major symptom continues to be the blows struck on each side which, because of their apparent purpose or a semiofficial desire to do so, provide tips to some columnists and commentators in the press and the media concerning information obtained from sources which are never revealed. This is an old and perverse game which affects all of the participants in the campaign equally and what they wish to do. In that game of rival mirrors and circulars an effort is made to present very real errors as disasters,

successes as the result of coincidence, acts of negligence as character defects, and the people involved in the game as the very incarnation of catastrophe or the kind of salvation which the country is hoping for.

This is a specialty of Mexican politics and of the politics which looks to the future in particular. It has not been absent from the present discussion of textbooks. I think that because of the abundance and frequency of examples of this game, the fact that it exists provides enough evidence to make us understand that the new textbooks have paid an extra price for political reasons.

A former president used to say: "These are the fruits of the season." And the season is barely beginning.

The Point of View of the SNTE

Among all of the actors in the educational reform under way, perhaps none has been so shaken by the change in the rules of the game as the leaders of the teachers' trade union. They expressed a dual reaction to the new history books. One of them was immediately reflected in the form of an open rejection of the books by the leaders of the National Coordinating Board of Education Workers (CNTE), whose ideological tone is close to the position of the PRD and to what used to be called the "Revolutionary Left." The other reaction, stated less immediately but more cleverly and cautiously, was expressed by the senior leaders of the SNTE, who waited for the crest of the wave before climbing onto it, rejecting the textbooks and calling for participation in the discussion of their content.

The attitude of these leaders, who until now had shown no significant interest in the teaching of history, has been of fundamental importance in the process of politically heating up the question of the textbooks. In my view that attitude of rejection covers up something more. It seems to be a tryout of the next step which the SNTE [National Trade Union of Education Workers] leadership would like to take: questioning the leadership of the educational reform itself in order to tone it down in everything which might limit or restrain the trade union powers that be. The trade union leadership is facing understandable uncertainty about the future of their organization in view of the magnitude of the changes proposed. It is trying by all means at its disposal, gropingly, to some extent, and also, to some extent, trying to find out how to keep its place and preserve its influence and weight in the educational establishment of Mexico.

The uncertainty is explainable because that trade union leadership, out of a feeling of political discipline, agreed to support a draft educational reform which it did not prepare, nor was it in their hands for review for very long. This is a project whose promoter was the president of Mexico. The leadership of the SNTE, encumbered as it is during this administration, could not say "No" to a presidential initiative, but it is beginning to say "No" to the secretary of education. In that respect the designation of the history textbooks has been providential for the SNTE, although along the way the history books have been placed in the forefront. This does not mean that all of the criticism is improper, nor that there are no elements of genuine concern about the subject. Nevertheless, the SNTE has acted precipitously in expressing its judgment, rather than making the most professional kind of evaluation which it should be making. This would involve evaluating the books and their accompanying guides as educational materials in the classroom, the reactions of the children, the pedagogical scope of the textbooks, and their educational limitations and virtues, rather than their possibilities for political use.

In taking advantage of a politically advantageous moment to jump onto the stage the leaders of the teachers have a legitimate concern about not being left on the sidelines when major decisions are made about education in Mexico. However, also involved is something of a reiteration of corporate reflexes which for years turned the educational policy of the country into the net outcome of a dispute between the SEP [Secretariat of Public Education] and the SNTE.

For decades the best efforts of government leaders and the teachers' trade union were involved in this sterile kind of struggle. Meanwhile, neither of them was carrying out its primary mission. The government authorities did not improve the quality of education, nor did the trade union defend the standard of living of its members, the teachers of flesh and blood who are dedicated to teaching, not fighting against the Secretariat of Public Education. The teachers should receive all of our attention and support. In that mortal struggle between organizations which have parallel objectives but are also enemies, the pedagogical quality of our public schools was being drowned at the same time, as well as the labor and professional quality of our teachers. This was how we reached the sad status of a country of poorly educated children and impoverished teachers, the painful extremes of the silent catastrophe which public education has been going through during the past few decades.

That is the sad picture which now threatens to begin again with the dispute between the SNTE and the SEP, regarding history textbooks. This would involve a continuation of the catastrophic stalemate which has been the standard for relations between both organizations and which was the first problem which educational reform proposed to deal with, through the federalization of teaching. That is, through decentralization to the state governors of operational decisions, financial resources, and a part of the content of the textbooks. Under this reform each state, as the substitute for the federal government, would contract directly and in advance for the educational services of the various state sections of the SNTE. The political risks of this change for a centralized organization like the SNTE can hardly be ignored, and it is natural that the imminence of this reform would unleash fear and resistance. If it loses its customers and the teachers in the country no longer depend on them, as is the case at present, even for the most minuscule of labor formalities, what will become of the SNTE?

One can understand the concern and the efforts of the trade union leaders. After all, they have no other, solid political tradition than the ongoing dispute with the Secretariat of Public Education. It is in their direct interest to maintain that position throughout the dispute. After all, in view of the results, the government authorities with whom they have fought in the past did not always show that they were much better, or more efficient, or less bureaucratic, and devoted to the interests of their clientele than the trade union leaders.

However, what is important for society is that, as long as the political stalemate between the Secretariat of Public Education and the SNTE is not broken, it will be practically impossible to improve the public educational system in Mexico or to concern ourselves with what is truly important, that is, what the children learn and what the teachers teach. Until now the principal aspect of education which has been driven from the classrooms where the Secretariat of Public Education and the SNTE have been in conflict has been the "educational moment," that is, the moment for teaching and learning. The evaluation of knowledge has not put an end to pretensions and scheming in education, the loneliness of the teachers, and their lack of technical resources. This evaluation has not received the intensity of attention required, nor has much progress been made in resolving the scarcity of teaching materials, the relevance of the contents of the textbooks, and, in general, everything having to do with education. Rather, priority has been given to the political contacts of teachers.

According to all indications, the SNTE is also now preparing to throw the history textbook out of the classroom, rather than subjecting it, and being subjected to, the verdict of the educational moment, the contact of the textbook with the children and the teachers in the classroom. The dispute which the SNTE wishes to carry on is in the daily newspapers and in the corridors of the presidential palace, but not in the schools. And the reasons for its disapproval are less in the pages of the new history textbook than in the history of the reflexes of Mexico as a corporate body, which is reluctant to leave us.

History, According to Michoacan

A peculiar confluence of events made it possible for the PRD to become the political group challenging the new history textbooks and expressing in this connection one more episode of its sterile and blind strategy of confrontation with the government. Up to the present the only proven effectiveness of this strategy has been to stamp on the government the same sterile and blind attitude of confrontation with the PRD.

From the very first days of the debate on the history textbooks several spokespersons for the PRD—whose language mixed together mythologies derived from the Mexican Revolution and the leftist, antigovernment slang of the 1960's—rapidly coined a small and effective repertory of images concerning the textbooks, images which were turned into instantaneous truth in a certain sector of public opinion. The first and most successful of these images was that the textbooks contained history written to glorify the Salinas Government, a government which "betrayed the country," was "pro North American" and "against the Mexican people," as, of course, according to the PRD, the Salinas Government is.

The advantage of this approach was that it could not lead to a mobilization of the teachers which would complicate the political atmosphere of the capital with school strikes, marches, and new demonstrations intended to underline the major case which the PRD has been carrying on since the most recent elections in the State of Michoacan in the so-called "second round"of those elections, although the activity of its allies in the CNTE pointed in that direction. That is, the organization of a sustained protest which would complicate things for the government and force it to remove the elected, PRI [Institutional Revolutionary Party] governor, in order to satisfy its opponents, as happened in the States of Guanajuato and San Luis Potosi.

Apart from the State of Michoacan, the scenario chosen by the PRD to fight that "second round" was the Federal District and, in particular, the main square of Mexico City. This involved exploiting the visibility of this site, bearing in mind the nearness to 15 September and the opportunities provided by the commitment to dialogue and consensus-building advocated by Mexico City Mayor Manuel Camacho, the politician in the circle around President Salinas most disposed to speak to and negotiate with the PRD. Nevertheless, the PRD appears to be determined to destroy him, pushing him to the limits of what can be tolerated.

A final example of this effort is the weapon which the Assembly of Barrios prepared at the Palacio de los Deportes [Sports Palace] to spoil for President Salinas the ceremony dedicated to solidarity and, in passing, to spoil the celebration for Manuel Camacho, who, in response to those provocations, is finding it increasingly more difficult to explain his policy of consensus building. Within the government, not long ago, they called this 313 kind of activity "concession" building. This involves an old blind spot reflecting the political amateurism of the Left: intriguing with its allies, confusing its adversaries with its enemies, and treating as enemies those who are ready to fall at its feet. (See the story of the "whitewash" of the Assembly of Barrios in LA JORNADA of 11 September 1992.)

As a part of the Michoacan strategy of the PRD the bomb prepared to be set off in the capital seems to have been defused, but the cost has been high. It first halted the proposed reform of the UNAM [National Autonomous University of Mexico], which has been put off indefinitely to prevent irritated students from joining the Michoacan protest of the PRD. This later awoke the authoritarian impulses of middle class citizens of Mexico City because of the urban problems caused by marches, meetings, the blocking off of streets, delays, and slowdowns. They reached the point of demanding that the

mayor take the kind of firm stand which we regretted so much on other occasions. The offensive of the PRD against the new textbooks has been one more cost of the political situation. This does not exempt us from taking note of its points of view, accepting the valid criticisms which it has made against the books and recognizing its preparedness to debate matters which, in effect, are in the interest and are the responsibility of everyone.

However, there is something more, having an interest less limited to a discussion of textbooks. In the very effective rejection of the textbooks, led by the PRD, forces symptomatic of our present and our immediate political future are joining together.

First, there are the impulses of the trade union leadership, involving the CNTE first and then the SNTE later on, some of the reasons for which I have already presented.

Secondly, there is an influential fringe of writers, historians, and journalists, whose tone is critical and whose heart is on the Left, who came to demonstrate, astonishingly for many of them, to what extent the established wisdom of our country advocated by previous administrations has turned into the stirring banner of that sector of civil society which we used to call "progressive."

Finally, the sympathy of a shrewd but active group of traditional politicians—members with a certain position and pedigree in "the Mexican nomenklatura"—had an influence. They believed that they saw in the history books a new, modernizing affront coming from the Salinas Government, a new blow against the traditions and convictions of the Mexican revolutionary type in which those politicians were raised and which they do not wish, or know how, to renounce.

The Salinas reforms challenge in depth, frequently without warning or political negotiations—which means in a non political way—those beliefs and those politicians, considering them weak, defeated, and converted to the new presidential gospel or personally loyal to the president. As the six year presidential 33 term moves toward its final two years, it is becoming clear that those politicians are none of those four things and are simply waiting for their turn in power.

It is not too much of an exaggeration to think that the storm over the textbooks was an early indication of how the political forces will move within the system and what are the implicit alliances and ideological changes which some of the professional politicians of the government will seek in 1993.

These are all forces which will compete—some of them openly, others in their own imaginations, waiting for their turn—in the framework of the Mexican transition and which I referred to four years ago in "Despues del milagro" (Cal y Arena, 1988) as participants in a deadlock: "Perhaps the political heart of the Mexican transition at the end of the century will only be the simple reality of a deadlock between the forces born of the process of modernization and those left over from the molds and scenarios of the corporative agreement" (page 37).

Whether the deadlock between those forces continues or someone moves ahead, only history will tell us in the coming years. Over the short term the discussions regarding the textbooks tells us that the struggle is continuing there.

The Cultural Guerrilla War

I will never regret enough that passions and rivalries which other staff members of "NEXOS" and I have had directed at us in the fields of the cultural guerrilla war and in the trenches of newspaper editorial offices have been mixed into the discussion of the new history textbooks. It is possible to dodge without any particular fear the adverse criticisms, the blows, and the lesser and greater hatreds which one attracts in these areas, while being astonished at the intensity of the passions awakened and even enjoying their repetition. So often they are bitter and even delirious.

Certainly, it is also possible to look at yourself in those mirrors of distortion to find in them appropriate antidotes against pride and, inversely, useful thorns to counter one's own vanity. In the first case these diatribes help one to see something of the worst which can exist in the minds and emotions of other people. In the second case, these same outrages make us think that some part of all that noise can be attributed simply to the unrest caused by the good results of what is being done.

Beginning with the success in public and in the press which the Winter Colloquium achieved, the cultural guerrilla war against NEXOS and those associated with it acquired a force and sharpness which was a complete surprise to me. I came to discover, in this unpleasant way, how much gratuitous criticism and how many outstanding, bogus accounts the magazine NEXOS, as well as I myself, had acquired among the cultural and journalistic community in Mexico. After the Winter Colloquium I observed at times with annoyance and at other times with amusement, but always with incredulity and surprise, the sudden development of an image of NEXOS in which I could only recognize with difficulty the magazine where I have worked for 15 years, as well as the friends who work on its staff and I myself as well.

The central feature of that image is the notion that, by taking advantage of my personal relationship with President Salinas, we have undertaken in NEXOS a broad maneuver to seize control of the "vital centers of Mexican culture" to obtain all kinds of favors and support, subsidies, help, and other political advantages. The worst aspects of that image took shape little by little during the last few months, like platonic ideas, in poor quality reflections and shadows. Regarding the new history textbooks, in certain circles these aspects have achieved the intensity of a public lynching and moral disparagement which can only be looked at with alarm, because they degrade all of us.

I say "certain" circles, because there are not many of them, although their activity and bitterness gives them a resonance which sounds like a consensus, like a generalized avalanche of public opinion against the new betes noires who threaten the cultural life of Mexico and who must be exterminated. It is not an avalanche, nor is it a consensus, but rather the repeated remarks by certain circles. I will try to illustrate what I am talking about.

"Informacion Sistematica" [Systems Information], a private, professional group engaged in the analysis of the press, has prepared a file of clippings of what appeared in the daily newspapers of Mexico City between 4 August and 10 September 1992 regarding the textbook question. From this extensive file of photocopies I have selected the articles and columns which criticize the new textbooks and their authors. There is a total of 45 such attacks, almost one and one-half per day. This is a real "avalanche."

However, of the total number of those columns, 25 were published in EL FINANCIERO, 15 in LA JORNADA, three in EL UNIVERSAL, and two in EXCELSIOR. That is, 40 of the 45 criticisms referred to appeared in only two newspapers: EL FINANCIERO and LA JORNADA. In the articles the disapproval of the writers of the articles and the columnists was concentrated to an overwhelming degree on the textbooks. Nevertheless, during the same period of time LA JORNADA published nine articles and five cartoons which were favorable to the books or at least commented on them in a humorous way. EL FINANCIERO provided space to only one favorable article, signed by Sergio Sarmiento. That is the statistical picture, according to the newspapers.

The statistics in terms of the persons involved are also interesting. To begin with, of the 45 articles contained in my file, 32 "were written by only nine persons," who prepared an average of 3.5 articles against the history textbooks in a period of 35 days. A more detailed look brings out additional aspects. Of the nine writers who conducted the major hostilities against the textbooks, five of them were the "winners," for they were responsible for 23 of the 45 articles—more than half of the total number.

In the order of opinions expressed, the personal statistics on these "magnificent five" are as follows:

Jaime Aviles, in EL FINANCIERO: 6
Miguel Angel Granados Chapa, in LA JORNADA: 6
Carlos Ramirez, in EL FINANCIERO: 5
Paco Ignacio Taibo I., in EL UNIVERSAL: 3
Enrique Krauze, in LA JORNADA: 3

Apart from the written articles, I have not counted the oral statements against the history textbooks which have been made at round tables and in television programs and radio broadcasts. The statistics on the "magnificent five" would increase to an extraordinary extent if I had included the other media. I can imagine the reasons which some of them had to undertake that offensive. However, basically, the reason for their bitterness escapes me. I do not wish to suggest by this that some of their criticisms of the textbooks are not worthy of consideration or are not pertinent. I only wish to suggest that there are reasons other than the textbooks which led them to pay greater attention to them than their defects deserve.

I regret that the quarrels outstanding which some members of the cultural and journalistic world believe they have with NEXOS and with me personally have been partially handled in this way.

Belize

Lottery To Substitute for USAID Funding

FL0912171092 Bridgetown CANA in English 1515GMT 9 Dec 92

[Text] Belize City, Belize, Dec 9, CANA—The Belize Chamber of Commerce and Industry (BCCI) is planning to introduce Lotto, a U.S. style lottery, here as it seeks a major new source of income. The move is in response to a decision by the U.S. Agency for International Development (USAID) to cut off funding to the business organisation from mid-1993.

Hugh Fuller, BCCI General Manager, said the twice weekly game of chance will offer Belizeans an opportunity to win a jackpot of more than US5,000 dollars. The price of a Lotto ticket will be two dollars.

A lottery, Boledo, already exists here. A spokesman said he did not see the new competition driving them out of the market.

The start-up date for the new lottery has not yet been decided.

For the past six years, BCCI has been substantially supported by funding from USAID, US3.4 million dollars since July 1986, to be exact. USAID support, however, comes to an end next June and, according to Barbara Sandoval, the USAID director here, there is no chance of new funds being made available.

"The project has proven itself to be successful. It is up to the chamber to finish what they can to be sustainable," she said. Sandoval said USAID will be shifting emphasis to other projects here grouped under the banner natural resource management.

"Basically, it is to help Belize to maximise its growth, which is based on its natural resources, while at the same time preserving them," she said. It will cover ventures such as eco-tourism, agriculture and sustainable forestry.

El Salvador

Defense Minister Declines Debate Invitation

PA1112041392 San Salvador TCS Television Network in Spanish 1200 GMT 10 Dec 92

[Report by Norma Jimenez]

[Text] The Jesuit case just cannot be forgotten. After being invited to a debate to determine the mastermind of the crime, Defense Minister General Rene Emilio Ponce accused the priests of promoting a propaganda campaign with obscure intentions.

Emotions heated up again after a period of respite when Father Jose Maria Tojeira, a leader of the Jesuits in Central America, invited the defense minister to a debate to show his innocence in the murder of the Jesuit priests. The invitation came at a difficult time, just when the Army high command has been accused of masterminding the crime.

[Begin Ponce recording] The justice system, the law, has a procedure for this. It is in the courtroom where serious, irresponsible accusations such as these have to be proven. I invite them to prove it in the courts. Let them do it there, but I am not going to lend myself to any public campaign for who knows what obscure reasons. [end recording]

As scheduled for 10 December, the Armed Forces say they have in their hands the new military doctrine. But the legalization of the Farabundo Marti National Liberation Front [FMLN] media is apparently still pending.

[Begin Ponce recording] It is a decision that is being studied at the National Telecommunications Administration. I understand they are asking for a number of AM and FM radio frequencies. They are also asking for television channels. [end recording]

Gen. Ponce said the fulfillment of the agreements as a whole should be completed by 15 December and he blamed the FMLN for making excuses to delay the process.

As for the demobilization of the rest of the elite battalions, Ponce said the Atonal Battalion should be dismantled by 6 January and the Arce Battalion by 7 February 1993.

Commentary Views Atlacatl Battalion Dissolution

PA0912221692 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 9 Dec 92

[Station commentary by Daniel Salinas]

[Text] With the breakup of the Atlacatl Battalion, both the government and high-ranking Armed Forces officers have shown patriotism. Despite everything, the dismantling of a military unit, which has caused the Army a great loss of prestige, is a positive step for them. To view this as a positive step requires a change in conduct by the right-wing—be it in civilian, business, or military groups. President Cristiani said in his speech that he will not accept pressure or provocation in connection with the peace process, which sends a clear signal to minority groups that intend to hinder the successful conclusion of the agreements the government and the Farabundo Marti National Liberation Front signed on 16 January.

The country should take the president's word and make an all-out effort to isolate these groups and thus make 15 December a day of true reconciliation for all. Nevertheless, in both the National Commission for the Coordination of Peace and in the Legislative Assembly—no less in the Armed Forces—undemocratic sentiments persist, seeking to hinder the approval of laws and measures aimed at deactivating a confrontation in the immediate future. The new electoral code will have to be approved in the few days remaining, as will the new law that will

regulate the National Judicature Council and the judiciary. Likewise, the law to protect the crippled needs strong financial support, which the government and Nationalist Republican Alliance currently refuse to give. There is little time left. But for peace to be solid and stable, it requires more than a few days; it requires a firm pledge by all the country's forces, especially the right-wing, to never again return to the past.

* 'Source' Alleges Officers Victims of Vendettas

[Editorial Report] Mexico City EL FINANCIERO in Spanish on 11 Nov 92, page 46, publishes an article by Irene Selser titled "Purges Among Salvadoran Servicemen." Selser cites an anonymous but "completely reliable source" who alleges that over 30 Salvadoran Armed Forces officers have been killed during the past two months—the victims of vendettas by officers implicated in the massacre of civilians, kidnappings, trafficking of drugs and contraband, and extortion. According to the source, only two or three of these deaths have been reported and they were attributed to common criminals. The deaths coincide with the initiation of investigations by the UN Ad Hoc Commission.

Honduras

Armed Forces To Send Contingent to Somalia

PA0812143192 Tegucigalpa EL HERALDO in Spanish 5 Dec 92 p 3

[Report by Armando Villanueva]

[Excerpts] The Honduran Armed Forces will participate in the international contingent the United Nations will send to Somalia, as part of the plan to fight hunger in that African nation. The UN plan calls for the use of force against the insurgent groups that are devastating the country with their civil war. [passage omitted]

General Luis Alonso Discua Elvir, the commander in chief of the Armed Forces, confirmed that the Foreign Ministry sent him a note asking if the military was in a position to send a contingent to Somalia. "The Armed Forces determined that it was possible, therefore, we are now awaiting a formal notification," he said.

Discua Elvir reported that the Honduran contingent will include 10 or 12 men. He stressed that this group will have nothing to do with those Honduran officers who were deployed to the western Sahara, in northern Africa.

The military commander stated that the institution has assessed the risks involved for the officers who will be sent to Somalia, saying that these are "risks that we soldiers are used to taking." He said, however, that they would really not be taking any risks as they will be representing an international organization and "they take all necessary security measures to prevent any military observer from running into trouble."

The Armed Forces do not yet have a departure date, said Discua Elvir, after stating that the group will be small, because that is what was requested." [passage omitted]

Regarding the specific issue of drug trafficking, Discua Elvir showed his satisfaction over the positive results in the fight against this wretched enemy of mankind.

"We are having positive results" despite the fact that drug trafficking "is capable of moving large quantities of money and wills, and Honduras is no exception to the rule," the military leader explained.

Finally, Discua Elvir announced that promotions will soon be approved among the ranks of the Armed Forces, but did not disclose how many officers would benefit from the moves.

Nicaragua

Lacayo Says No Immediate IGV Reduction Planned

PA1112025492 Managua BARRICADA in Spanish 10 Dec 92 p 5

[Report by Maria Alicia Talavera]

[Text] Presidency Minister Antonio Lacayo warned on 9 December that the general value tax [IGV] will not be immediately reduced, in accordance with the promise made on 4 December by President Violeta Chamorro, because of the releasing of $54 million of the $104 million that had been held back by the U.S. Congress.

"First we must make very clear calculations of how much this delay has cost us and see what can be done once credit for production and the public investment plan is secured. If there is anything left, obviously it will revert to benefit the people through a lower IGV," Lacayo said after bidding farewell to President Violeta Chamorro, who traveled to the 13th Central American Presidential Summit.

These calculations will be made in December, thus any decision reached will become effective in January, the minister said.

Lacayo said the property problem is as urgent for Nicaragua as it is for the United States. He announced that, beginning in December, the Quantification Office will begin operations and, starting in January, will indemnify U.S., Spanish, and Nicaraguans citizens who are unable to recover their property physically to "begin closing this chapter on property."

Referring to the accusation by Senator Helms that General Humberto Ortega has deposited between $500,000 and $1 million a month in a Canadian bank, Lacayo announced that they are checking with the Finance Ministry to see "if these checks exist or to determine their origin."

Regarding the demands by health workers, Lacayo stressed that "there are no salary increases. We have said this all along. They have proposed during their meetings with the government that the IGV be eliminated, then reinstated, telling the people that it is for health, and then want to increase their salaries with it."

The Health Workers Federation proposal "is a dream because teachers, policemen, and soldiers" also have a right to higher salaries, Lacayo said.

Lacayo promised that any economic improvement would be used for the underemployed and the unemployed and "not for those who are earning a salary, be it good or bad."

Lacayo admitted that there was a strike in customs. "No problem, it is the takeovers that are not allowed," Lacayo said, hours before the agreement with that institution was announced.

Minister Announces Inter-American Bank Loan

PA1112042492 Managua Radio Sandino in Spanish 1830 GMT 10 Dec 92

[Statement by Agriculture and Livestock Minister Roberto Rondon at the 13th Central American Presidential Summit in Panama City; date not given—recorded]

[Text] I wish to refer first to the effort we agriculture ministers are making, following orders from our presidents, to support regional agricultural development. Our presidents understand clearly and are absolutely convinced the future lies in the agricultural sector. The agricultural sector is the backbone of future economic development and this is why this presidential summit in Panama is dedicated especially to this sector. It will seek ways to advance Central American integration in the agricultural sector and further open up the regional trade of agricultural products. It will also consolidate our collective stance in defending our agriculture from the rest of the world.

This is a special summit dedicated to agriculture. There will be a special declaration called the Agricultural Commitment of Panama that will be signed by all the Central American presidents.

I wish to seize this opportunity to convey very pleasant news: We just received a fax from Washington, D.C., stating a $50 million agricultural loan, which we had been negotiating through the Agriculture and Livestock Ministry, for the agricultural sector of Nicaragua was approved on 9 December by the management of the Inter-American Development Bank [IDB].

This money will reinforce Nicaragua's balance of payments, help maintain the stability of our currency, and promote the nation's economic development through job creation and promotion of the entire Republic's well being. The first installment of $25 million will be disbursed before the end of this year. The other $25 million will be disbursed in the first six months of 1993.

Also on 9 December the IDB approved a repayable technical cooperation loan of a little more than $10 million. Part of it will be used to defend and promote the development of natural resources and the remainder will be earmarked for the financial sector, especially to grant more loans to small farmers and to transform the National Development Bank into a modern and dynamic bank offering better services to the entire nation.

This is great news. We know from the fax received from Washington, D.C., that the bank management offered its total and warm support to Nicaragua. The letter we just received states this. Nicaraguans can rest assured the government of our President Violeta Chamorro enjoys international support.

* Problems in Cattle Industry Detailed

93CA0027A Managua LA PRENSA in Spanish 20, 27 Oct 92

[Article in two installments, by Elberth Duran, based on study by Central Bank of Nicaragua]

[20 Oct p 4]

[Text] The most recent study on problems in Nicaragua's cattle industry was compiled in July of this year by Eduardo Aguilar Gallo, of the Central Bank of Nicaragua.

The study begins with a detailed analysis covering the characteristics, the potential, and the evolution of the Nicaraguan cattle industry. This is followed by figures on productivity and production, and data on the marketing of milk, cattle on the hoof, and meat, as well as evaluations of the profitability of the activity, taxes and write-downs, financing, and other problems, such as the effects of contraband activity, rustling, the unlawful occupation of ranches, and expropriations.

In this first article, LA PRENSA begins a discussion of the Central Bank study's most significant contents. The study is doubly valid, coinciding as it does with a reawakening of entrepreneurial interest in this activity.

The Central Bank's study draws 15 principal conclusions, the most notable being that the unlawful occupation of ranches, the nondevolution of unjustly confiscated properties, and rustling, are the sector's primary stumbling blocks because of their deterrent effects on the security and likelihood of profitability of investments in the sector.

In another respect, it mentions that the magnitude of contraband activity indicates not only large-scale tax evasion, but also a deleterious drain on the herd because, generally speaking, it involves mainly steers for fattening and heifers.

Besides its constant reduction in number, the cattle herd exhibits lowered productivity and individual animal growth. This trend is related to aspects of feeding, animal health, management, and genetic control. The latter aspects are directly dependent on the productive infrastructure, on the economic viability of the product, and on the institutional support the product receives.

The producers, for their part, suffer from a lack of liquidity, and must contend with burdensome costs and low prices.

The cattle industry's high overall cost inevitably stems mainly from the high costs of acquisition and bringing the product to market. "The entire cattle industry sector is having to bear burdensome taxes and write-offs that seriously lower profitability," says the Central Bank study.

The study also finds that the producers receive low prices for their milk in the face of the competition stemming from the processing of thousands of tons of powdered milk being donated to the government for the 1990-94 period, and from the importation of milk from other countries, to which the government grants permits. Added to this, the report on the study also cites the reduced prices set by the exporting slaughterhouses.

Part of the losses being incurred by the producers is attributed to the fact that the slaughterhouses sell most of their meat "to markets that are not the best from the standpoint of prices, and incur high costs of production owing principally to excess and unionized personnel, and to the obsolescence of parts of their installations." The two cents of a dollar [$0.02] per pound of exported meat that the slaughterhouses must pay to the CNG [expansion unknown] is passed on to the cattleman, according to the study.

The expectations generated by the recent liberalization of the marketing of cattle on the hoof have not fully and permanently materialized. Despite the higher prices offered for the commodity in that form, the sector's current profitability continues to be negative.

As for financing, owing to the lack of liquidity in which the cattleman is currently mired, bank loans to the sector are premised on a 30-percent capital participation by the cattleman in the acquisition of cattle. As a result, the volume of authorized credit is not enough to meet the requirements for attaining the break-even point, and is much less than needed to generate profits that would stimulate and develop the activity.

This array of negative conclusions also includes findings by the Central Bank that: The cattlemen are being adversely affected by the agglutination of union organizations around most of the producers; the survival of the national cattle herd requires the enactment of protective measures to ensure its conservation and growth; and the sector as a whole lacks a "coherent integral program and the needed institutional support by the government for its reactivation."

Cattle Industry's Potential

Of the 127,755 square kilometers comprising the national territory, according to real estate census figures, the land having potential use by the agriculture and stock-raising sector totals some 7 million manzanas, 5.1 million of which are suitable for agriculture, and 1.9 million for stock raising.

Of those 7 million manzanas, less than 1 million are being used for agriculture. Assuming that agricultural use could be increased to 2 million manzanas in the near future, there would still be 5 million manzanas of land suitable for agricultural and stock raising, that could very well all be used for stock raising, according to the study.

If a system of extensive exploitation were to be established in that area, on the basis of one manzana per head of cattle, the country could shelter a herd of 5 million head. An extraction rate of 20 percent would guarantee a slaughter of 1 million head annually.

These figures attest to Nicaragua's potential as an agricultural and livestock producer, as well as to the extent to which this potential has been neglected and the abuses that have been perpetrated at times by the government.

Past Has Been Better

The 1960's and 1970's were the best for the Nicaraguan cattle industry. In 1959, the UN Food and Agriculture Organization (FAO) disclosed that Nicaragua was the only Central American country able to produce sufficient quantities of milk, and cover the milk production deficits of the rest of the countries in the area with powdered milk.

In 1975, there were more head of cattle than persons in Nicaragua. The national herd totaled 2.54 million head (including 1 million heifers) whereas the human population totaled 2.32 million persons.

In 1978, with the increase in destabilizing events in connection with the revolution, and a rise in the rate of slaughter to unprecedented levels as a protective measure by the proprietors, the herd began to decline at an accelerated rate. After July 1979, confiscations and the takeover of ranches followed. These were mostly cattle ranches, which were then "plundered of their cattle for clandestine slaughter" without regard for whether or not they were excellent breeding stock for milk production or meat. Then, when the Sandinist government began exporting massive quantities of meat to Cuba, the producers, for their part, sought to herd their cattle via the "escape" route into neighboring countries.

With subsequent hyperinflation, a steer bought for $40 on the local market, partly because of state controls on marketing, brought a price of $450 in Costa Rica. This—the Central Bank report states—favored contraband activity and fostered rustling, which in the final analysis further bled the already squalid national herd.

The war that followed continued to lay waste the cattle industry and drive producers, for whom it was very difficult to change activity, to desperate measures. Little by little, the cattlemen depleted their capital in an effort to hold on to their lands despite their having to produce at very high costs.

Estimated Inventories and Productivity

In this chapter, the study by the General Directorate of Production under the Central Bank's Vice Presidency for Economic Studies points out that, in the absence of trustworthy statistics concerning the cattle herd for almost the past two decades, the figures used "are not entirely reliable." Subject to this caveat, it ventures the following projections for 1992.

Cattle Industry Projections for 1992

Head	1.9 million
Heifers	740,000
Calvings	50%
Calf mortality	0-1 year 10%
Weaned calves	45%
Herd mortality	1-3 years 3%
Herd mortality	Over 3 years 2%
Age first calving of heifers	4 years
Slaughter age of males	4 years
Productive life of cows	7 years
Cow culling rate	15%
Productive life of bulls	5 years
Bull/cow ratio	3.5%
Slaughter - head	336,000
Extraction rate	17.7%
Milk production - gallons	46 million

Average milk production per cow: 2.7 liters/day

According to the Central Bank analysts, these figures should raise serious concern among government officials and businessmen connected with the cattle industry, considering the low level of efficiency they indicate.

Milk and Meat

A comparison of the 1991 slaughter and milk production registers against those for 1978 reveals that slaughter has declined by 32.8 percent and milk production by 63.1 percent over this period.

The analysis attributes the latter phenomenon to the "loss of genetic milk quality in the national herd," having its origin in a more extensive crossbreeding with Brahman cattle, among other things.

Projections of steer production for slaughter, to 1995, indicate a "growth rate of 4 percent annually," provided it can be assumed that the opening of the United States market to Nicaraguan meat will eventually result in higher prices, contribute to an improvement in productivity indices, reduce the slaughter age of steers, and reduce mortality rates.

According to the report, Nicaragua lacks reliable and complete data on the export of cattle on the hoof during the 1980's.

As for milk production, the study projects a 5.8-percent average annual growth rate to 1995, provided the rate of calvings increases as a result of improved market conditions and productivity rates in general.

National meat production also suffered sharp reductions between 1978 and 1991, reaching its lowest levels in 1981, down 46.6 percent, and 1988, down 45.6 percent.

As of 1980, the quantities of meat exported began to drop below the quantities consumed locally, with no indication to date of a possible reversal of this trend. The years 1984 and 1988 "have officially been the lowest meat export years, and those exhibiting the highest volumes of local consumption. Account must be taken of the fact, however, that during those years, the government imposed on the population a drastic rationing of meat, coinciding with public knowledge of massive exports of meat to socialist countries, principally to Cuba, with no customs records being made of these exports," according to the study.

On this point, the analysis goes further, stating that "although historically speaking the industrial slaughterhouses apportioned the lesser share of their production to local consumption, the records for the years cited present the reverse of this situation, positing that the major portion of the meat produced by the export slaughterhouses was allocated to domestic consumption. As of 1989," according to the Central Bank study, "the records inverted the meat production structure, with the industrial slaughterhouses reverting to their former characteristics."

[27 Oct p 4]

[Text] Added to the structural problems inherited from mistaken practices in recent years, the cattle industry is having to contend with the deleterious effects of contraband activity, rustling, takeovers of ranches, and the juridical insecurity being generated by illegal confiscations, all being factors whose definitive solutions are not yet just around the corner.

LA PRENSA today publishes the second installment on the study compiled by the Central Bank in July.

One of the country's structural difficulties is the lack of reliable information under various headings. This prevents gaining a clear knowledge of the scale of economic activities.

Measuring milk production, for example, has always been difficult, especially because, to surmount the low prices of the liquid, the producers transform it into derivatives, such as cheese.

Despite this hurdle, the Central Bank study considers it reasonable to talk in terms of five cordobas per gallon of milk. The producers deem this price insufficient. In part, they attribute this situation to the powdered-milk donations being made by the PMA [World Food Program], which, for the 1990-94 period has allocated 10,400 tons to Nicaragua, in addition to 2,500 tons of tubbed butter.

Marketing of Cattle on the Hoof

Most of the national cattle industry's revenue comes from cattle on the hoof, whether it is for slaughter or for raising. In the first of these cases, it goes into export or local consumption.

Intermediaries are present throughout the cattle marketing chain, according to the study, to the point of comprising between 70 and 80 percent of the suppliers of steers.

Their proliferation follows structural reasons, the study says. "The cattle industry operators consist for the most part of small producers who, generally speaking, do not plan their selling of cattle, but simply sell when they have need of money."

As for prices, the influence of the price of cattle for slaughter determines the prices of all the rest.

Weeks before 10 August, when the marketing of cattle on the hoof was liberalized throughout the country, the minimum and maximum prices for steers representing 171 kg of undressed meat in the case of those for local consumption, and 221 kg in that of those for export, ranged between $223 and $350 respectively.

In other countries in the area, prices ran $100 higher. This situation began to right itself with the gradual recovery of local prices under the influence of export sales.

A significant general consideration expressed by the author of the study, Mr. Eduardo Aguilar Gallo, of the Central Bank's General Directorate for Production, is that, given the conditions under which the Nicaraguan cattle industry has been evolving, and the low profitability these entail, "it must be acknowledged that marketing costs are very high," and that among them, the tax burden is very heavy.

Domestic and Foreign Prices

Before the reopening of the U. S. market in August, Canada was the biggest buyer, accounting for more than half of Nicaragua's exports, and the client that paid the lowest price, since the product was channeled into industrial production. The second biggest buyer was Mexico, followed by El Salvador.

The average price received for exported meat during the first three months of the current year was $1.01, equivalent to 5.05 cordobas, per pound. That price has improved with the reopening of the U.S. market, although there are as yet no official figures on the latter's real impact on prices.

Local prices have averaged around 5.16 cordobas per pound, according to estimates by FAGANIC [Federation of Nicaraguan Cattlemen's Associations], based on prevailing sale prices among industrial slaughterhouses.

As for the profitability of the cattle industry, given the difference between revenues and costs, it is negative, even though such losses are being defrayed by the unrecovered depreciation of the productive infrastructure, principally pastures and enclosures.

Impact of Taxes and Write-Downs

Regarding the taxes and write-downs that burden the cattle industry, such as the levies on marketing, municipal taxes, registration of cattle brands, contributions to the CNG, and other write-downs, the Central Bank study finds these "especially prejudicial if one considers that more than half the producers are small-scale cattlemen." These factors have a particularly heavy impact on the price of a young steer for export, 23.20 percent of which consists of these charges.

This being the case, the study suggests a downward revision of these factors as a means of improving the sector's profitability, and in this way revitalizing the activity.

Lastly, regarding financing, discontent persists among the cattlemen, who consider it insufficient and too prone to delays and difficulties that discourage them.

To the aforementioned difficulties, the Central Bank adds other problems that affect the industry directly: contraband activity, rustling, takeovers of ranches, and expropriation of ranches.

On contraband activity, it notes that the "patently illegal" drawing off of calves for slaughter is driving up the price of those sold to the local producer for fattening.

Lack of strict control by the authorities with respect to indiscriminate transfer of steers to other countries "constitutes a serious breach of responsibility toward our national economy's most sacred asset, its cattle industry," the report emphasizes. In this regard, it calls for the enactment of strong, enforceable laws that punish these infractions.

In another regard, it attributes the rustling phenomenon to the indiscriminate possession of weapons in the national territory, and to the operation of gangs—attested to by the frequency of news reports on acts of this nature. These are a drain on the efforts of the cattlemen.

The attention of the government is also called to the imperious need to resolve the problems of claims relating to properties that have been arbitrarily or unjustly expropriated, given that cattle ranches were

especially hard-hit by those practices. These situations frighten the present producers and create far-reaching uncertainty among those who aspire to rededicating themselves to the cattle industry.

Panama

Endara Not Concerned With Noriega POW Status

PA1012170792 Panama City LA PRENSA in Spanish 10 Dec 92 p 1

[Report by Vilma E. Figueroa B.]

[Text] Panamanian President Guillermo Endara stated on 9 December that the decision issued by Judge William Hoeveler to declare former General Manuel Antonio Noriega a "prisoner of war" is a legal problem in the United States that "does not bother me one way or another [no me viene ni me va]."

The Panamanian president's brief statements were made after Federal Judge Hoeveler - who declared Noriega guilty of drug trafficking charges and money laundering - decreed that Panama's former "strongman" is a "prisoner of war," entitled to all rights established in the Geneva Convention.

On the other hand, Second Vice President Guillermo Ford stated he did not want to get into the analysis of the judicial aspect of the issue; however, he pointed out that Noriega did not fight in any war, but left Panama dressed as a "ridiculous figure" wearing a uniform that he was not even entitled to wear.

Covert Operation Against PRD Legislators Noted

PA1012175892 Panama City EL PANAMA AMERICA in Spanish 10 Dec 92 p 12c

[Article by Juan Pritsiolas]

[Text] State security agents carried out a covert operation aimed at infiltrating Democratic Revolutionary Party [PRD] Legislators Gerardo Gonzalez, Balbina Herrera, and Miguel Bush. The goal of this action was to capture Pedro Miguel Gonzalez, one of the alleged murderers of U.S. soldier Zak A. Hernandez.

The above mentioned operation was initiated on 14 August using former detectives, individuals accused of fraud, Colombians, and two women, who were identified with code names.

Besides the efforts to infiltrate Legislators Gonzalez, Bush, and Herrera, there was also an attempt to uncover where Pedro Miguel Gonzalez is hiding.

Trips were made to Turbo in Colombia and La Arenosa in the western part of Panama to determine whether Pedro Miguel Gonzalez was in those areas.

With regard to Pedro Miguel Gonzalez' situation, it was reported that his father, Legislator Gerardo Gonzalez, is requesting that the judicial system issue a report identifying the persons who paid for the advertisements offering a reward for information leading to his son's whereabouts.

Other data of the covert operation indicate it was suspended at the beginning of October when some of the participants were accused of extortion against a Colombian.

According to one of the individuals involved in the operation, in September "an observation mobilization" with some "alleged terrorists" was undertaken on public institutions and three diplomatic missions.

Two days after this "mobilization," three attacks were perpetrated against the Foreign Relations Ministry, the Electoral Tribunal, and at Tocumen International Airport. Hence, it is believed that the agents had previous reports that these types of actions were to take place.

Argentina

Official on Forces for Somalia, UK Talks

PY1012182292 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 10 Dec 92

[Text] The Argentine Armed Forces will participate in a joint support operation of humanitarian help in Somalia, according to Argentine Foreign Minister Guido di Tella, who is in Brazil. He stated that President Carlos Menem informed him on 7 December of this decision which was suggested by the Argentine Foreign Ministry.

Media Communications Secretary Raul Burzaco announced that the cabinet today decided to send troops to join the UN humanitarian forces in Somalia. He also reported on a meeting that will take place in Buenos Aires between Argentine and British representatives about fishing near the Malvinas Islands.

[Begin recording] [Burzaco, in progress] ...the statement by the foreign minister is being discussed by the British committee. This is the result of a harmonious policy of international relations, but the economic issue marks a tense situation in our relations within a completely well-intentioned Argentine attitude. Argentina is offering better fishing possibilities than those offered by the Malvinas. This is the reason for the talks.

You know the British opinion through the newspaper article, a copy of whose I have just given to you with a translation. Do you all have it?

The second subject, the sending of Argentine troops to Somalia, was raised by Defense Minister Erman Gonzalez. The Cabinet has approved sending a support force and food. We are ready to send 4,000 tons of food and medicines to Somalia. We will also send a strategic support force with, for example, a health unit, which is what we currently have available.

[Unidentified reporter] Has a combat force been ruled out?

[Burzaco] The United Nations will send an intervention force. Given that this is not a peace but a combat force, Congress should have a say in such a decision. It is assumed that there will not be enough time for Congress to discuss and to decide on this return to peace through force.

[Reporter] How many men will be sent?

[Burzaco] I do not know yet, but it is a peace contingent. We will send doctors, social assistants, and nutritionists; that is, the personnel the Armed Forces have available. We are also sending communications experts.

[Reporter] For civilian support.

[Burzaco] It is a military-civilian support group.

[Reporter] No combat troops then?

[Burzaco] No combat troops. [end recording]

Regarding the article published by THE GUARDIAN about fishing near the Malvinas Islands, the British think that the meeting to be held in Buenos Aires is the result of impeccable and peaceful trade negotiations by Argentina. The article adds that many Japanese fishing ships, which have produced millions of dollars worth of profit for the Malvinas Islands over the past five years, have now decided to accept a better offer from Argentina for the upcoming fishing season. The article states that the British officials hope to obtain a reduction in the price of the Argentine license and stricter control, especially regarding the fishing of ilex squid [as heard], a species with an increasing commercial value.

Troops, Medicine, Food to Somalia

PY1012221492 Buenos Aires TELAM in Spanish 2111 GMT 10 Dec 92

[Excerpt] Buenos Aires, 10 Dec (TELAM)—In view of the wave of violence and hunger currently plaguing Somalia, Argentina soon will ship a military logistics support contingent, whose makeup will be decided by Armed Forces physicians. Moreover, 4,000 metric tons of medicine and foodstuffs will be sent to this African nation.

This decision was made at today's meeting of the Cabinet at Government House, chaired by President Carlos Menem. Media Communications Secretary Carlos Burzaco noted, however, that this humanitarian aid must be approved by Congress.

Burzaco commented a ship that is about to sail to Spain will be loaded with 4,000 metric tons of medicine and foodstuffs that will then be shipped to Somalia.

After assessing the situation in Somalia, the Cabinet decided that the participation of Argentine troops only will include the shipment of noncombat troops rather than combat troops, as announced yesterday in Rio de Janeiro by Foreign Minister Guido di Tella.

Burzaco explained that the humanitarian aid includes "Armed Forces personnel trained for these cases, such as physicians, nurses, nutritionists, social assistants, and experts in communications." He also said the contingent will leave "in the next few days," once all the necessary arrangements have been made.

He said these troops are exclusively "peace troops because the combat units are made up of U.S. troops, because the United Nations has charged the United States with the duty of imposing peace in Somalia, let us say, by force." [passage omitted]

Defense Ministry Notes Debt Owed by UN

PY1012223192 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1921 GMT 9 Dec 92

[Excerpt] Buenos Aires, 9 Dec (NA)—Defense Ministry sources reported today that the United Nations still owes Argentina approximately $6 million for the participation of almost 1,000 troops from the first contingent of the Argentine Army battalion (BEA) that spent six months in the former Republic of Yugoslavia.

In addition, the sources confirmed that the United Nations owes Argentina $160,000 to cover per diem expenses for the eight Navy doctors who stayed for a year in Honduras and El Salvador at the orders of the UN Observer Group in Central America (ONUCA). [passage omitted]

Ambassador to UK on Direct Ties With Falklands

PY1012213792 Buenos Aires TELAM in Spanish 1828 GMT 9 Dec 92

[Text] London, 9 Dec (TELAM)—Mario Campora, Argentine ambassador to Great Britain, today told TELAM that Argentina expects to begin discussions on direct ties between Buenos Aires and the Malvinas Islands, in reciprocity for consideration of the islanders' interest in possible fishing agreements in the South Atlantic.

"I hope we will begin talking about ties," the ambassador said, "because if we take care of their interests now (the Kelpers') and if we are careful to keep them from suffering shortages, they should at least be willing to talk with us on relations with the islands."

The remarks by Campora reflect the position that San Martin Palace will adopt in the talks that [words indistinct] in Buenos Aires, where islanders are expected to express their concerns about the new fishing license system enforced by Argentina and especially about the agreement signed with the EEC.

Argentina and the EEC recently initialed an agreement for [word indistinct] years, which provides for participation of some 70 ships, 50 of which will be owned by joint enterprises, to catch up to 250,000 tonnes annually, including 120,000 tonnes of Argentine hake.

In an interview with BBC last week, Campora said the Buenos Aires meeting "will be the appropriate occasion to search for formulas for preserving the islanders' interest." He emphasized the Argentine wish that "in the future there also can be links between the island and the mainland."

Bolivia

Foreign Ministry on Cancellation of Fujimori Visit

PY1012190292 La Paz Television Nacional Network in Spanish 1700 GMT 10 Dec 92

[Text] We want to use this time to supply a last-minute report to you. The arrival of Peruvian President Alberto Fujimori, along with his entourage of experts in bilateral integration programs, was originally scheduled for today at 0730 [1130 GMT]. Later, Fujimori's arrival was postponed for today at 1130.

In preparation for such an important event, Channel 7 mobilized its entire technical team to directly broadcast from the El Alto International Airport, Murillo Square, and various sites where the Peruvian president, Engineer Alberto Fujimori, was scheduled to visit.

At noon today, the Bolivian Foreign Ministry called a news conference to report that, unfortunately, this visit had been suspended, quite likely until 24 January 1993.

In a last-minute report, the ANF news agency categorically states that the Bolivian Foreign Ministry at noon today reported that Peruvian President Alberto Fujimori unexpectedly suspended his visit to La Paz for health reasons.

Fujimori was scheduled to meet with his counterpart, Jaime Paz Zamora, within the framework of enhancing relations and celebrating the bicentennial of Marshall Andres de Santa Cruz.

In preparation for the arrival of the Peruvian president, the Bolivian State security organizations had organized an operation to protect Alberto Fujimori's life vis-a-vis fears of an attack by the Shining Path guerrilla group.

Therefore, we repeat that, unfortunately, the Peruvian president has not arrived and we will have to terminate our entire technical operation, taking into account this unexpected event.

We have always tried and will always supply the information—not only last-minute reports, but reports from where the events develop.

'Acute Intestinal Infection' Cited

PY1112012592 La Paz Television Nacional Network in Spanish 0000 GMT 11 Dec 92

[Excerpts] Peruvian President Alberto Fujimori has canceled his scheduled visit to Bolivia. When everything was ready to welcome President Fujimori, the Bolivian Foreign Ministry announced that Fujimori had canceled his visit due to health problems. [passage omitted]

Bolivian Foreign Minister Ronald MacLean today contacted his Peruvian counterpart. Commenting on this conversation, MacLean said:

[Begin recording] Yes. He told me that they had an outdoor lunch where typical dishes were served, some of which apparently were spoiled. Our ambassador informed us that President Fujimori already has returned home on a stretcher and with oxygen. He already was indisposed last night on his return from Ayacucho. Apparently, his condition has not improved. What he has apparently had is an acute intestinal infection, which requires him to rest. He was largely dehydrated and this will definitely prevent him from coming up to this altitude. [end recording]

Brazil

Price Adjustments Require Presidential Approval

PY2811145692 Rio de Janeiro O GLOBO in Portuguese 27 Nov 92 p 21

[Article by Silvia Faria]

[Excerpt] Brasilia — President Itamar Franco on 26 November determined through Decree No. 687, which has been published in the Official Bulletin, that all readjustments to "administrated prices" ["precos administrados"] must have the prior approval of the president of the Republic. This was made known on 26 November by O GLOBO. Presidential intervention in the matter of prices, which has left Finance Ministry technicians perplexed, derives from a series of complaints made by Franco against decisions made by his team, such as the first readjustment in the price of fuels, which was authorized by Finance Minister Gustavo Krause; the agreement given by Executive Secretary Dorothea Werneck for a readjustment in the price of medicines; and then again the increase in the price of fuel on 24 November, which led to the firing of Maria Auxiliadora Jacobina, director of the National Fuels Department (DNC).

The tenor of the decree paralyzed on 26 November, the government's middle level management which administrates the sector of supply and prices. Without any type of guideline or additional explanation from Planalto Palace, the technicians passed the day exchanging legal ideas and opinions to seek a legal reference to the term "administrated prices." [passage omitted]

Planning Minister Disagrees With Price Controls

PY2911020392 Rio de Janeiro O GLOBO in Portuguese 28 Nov 92 p 33

[Article by Silvia Faria, Eliane Cantanhede, and Tereza Cruvinel]

[Text] Brasilia—President Itamar Franco took advantage of his meeting with ministers to discuss the government's short-term plan to bring up a last-minute issue: better coordination among the various levels of government. After unleashing an internal crisis by publishing a decree that interfered with the economic team's price policy, Itamar tried to overcome the ministers' negative reaction by having Civilian Household Chief Henrique Hargreaves and Institutional Communications Secretary Augusto Marzagao explain that it was not Franco's intention to meddle with the price policy but merely to be informed in advance about decisions to adjust prices.

A crisis atmosphere prevailed in the administration throughout 27 November, fueled by rumors about the resignations of Planning Minister Paulo Haddad and Economy Minister Gustavo Krause. The rumors were unleashed by the publication in the official gazette of Decree No. 687 by which the president demanded of his ministers to be consulted in advance about adjustments to government-managed prices.

The decree in question was drafted by National Consultant General Jose de Castro Ferreira, who had not consulted either Haddad or Krause, and caused the planning minister to react publicly. Haddad told journalists he had not been consulted about the decree and that had he been consulted he would have not agreed. He tried, however, to convey the idea that the problems had been overcome after the president promised to release a note explaining the decree's purpose. Haddad said the president told him that he wanted to be kept informed better.

The minister said: "There is no use trying to cover up the obvious. It is unfortunate, but I was not consulted. The problem, however, already has been resolved and Government House will release a note stating that there will be no going back to price controls."

The presidential decree fell like a bomb on economic area ministries, leaving the ministers frightened by the prospect of a widespread preventive markup of prices in response to the threat of price controls.

While Minister Haddad was insistently trying to obtain an explanation from President Itamar Franco, adviser Jose de Castro and Civilian Household Chief Henrique Hargreaves were exchanging numerous telephone calls, a sign of the extent of Haddad's irritation and of the equally irritated reaction of his palace colleagues. The two were complaining to each other the insistence with which the planning minister was demanding an explanatory note.

"Haddad keeps calling asking about the note from the president," Hargreaves complained, adding that the president's intention was merely to be better informed about the readjustments.

Institutional Communications Secretary Augusto Marzagao played the role of "fireman" in the crisis.

He said: "Contrary to what has been announced, the president does not propose to personally control prices. The information that has been disseminated gives the idea that he is reinstituting a straitjacket for the markets, which is not what he has in mind."

The news conference the president had called on 27 November to announce that he wanted the pharmaceutical industry to curb its price increases, despite the agreement pharmaceutical associations had signed establishing a real increase of 6 percent per month, was canceled and no more was said on the subject to avoid further misunderstandings.

Franco Praises Krause's, Haddad's Performance

PY0312201092 Rio de Janeiro O GLOBO in Portuguese 2 Dec 92 p 21

[Text] Buenos Aires—After saying that dissatisfied ministers should leave the government, President Itamar Franco yesterday asserted that he does not disagree with the economic team. He praised Finance Minister Gustavo Krause's and Planning Minister Paulo Haddad's performance. In his opinion, the two surpassed his expectations. Franco denied that the meeting on 27 November was tense and that Haddad and Krause were disappointed about his not approving a short-term plan. According to Franco, news of possible uneasiness are mere rumors.

It is speculation, intrigue. I am immune to that, Franco told O GLOBO. He did not comment, however, on his failure to approve the short-term plan proposed by the economic team.

After two months in office, Franco again refuted criticism that his administration is stagnant. In 60 days, Franco said, the government sent Congress a fiscal reform proposal; injected 23 trillion cruzeiros into the economy through the payment of pensions, Christmas bonuses, and the 147 percent pension increase to retirees; and reexamined utility rates.

* August Industrial Production Data Published

93SM0081C Sao Paulo GAZETA MERCANTIL in Portuguese 18 Nov 92 p 9

[Report by Rio correspondent Cristina Borges]

[Text] Regional indicators of industrial production in all 10 areas surveyed by the Brazilian Institute of Geography and Statistics (IBGE) show a widespread decline in the level of activity this past August compared with the same month of 1991. The extent of the slowdown varied from 24.5 percent in Pernambuco, to 6.0 percent in Rio Grande do Sul.

Negative performance by industry is also the predominant conclusion from the cumulative figures for January-August except in Bahia State, where industrial production rose slightly, by 0.4 percent. The other areas surveyed exhibited extremely wide variations, from the 0.1 percent dip in Rio Grande do Sul to the 14.4 percent drop in Pernambuco. Rio de Janeiro State's industry obtained indices that were better than the Brazilian average during the period being compared. Its decline was 2.7 percent while that of the country as a whole was 5.8 percent during the eight-month period.

The performance of Sao Paulo industry, seen in the comparison of August against July, a period that, historically, produces a favorable growth rate, recorded a decline of 1.7 percent. This was exceeded only by the 4.4 percent drop experienced between July and August 1981, a year of deep economic recession in which Brazil's industrial product fell by more than 10 percent. Continuing with this comparison model (month/previous month), we find that last August Sao Paulo industry experienced growth in only four of the 16 sectors surveyed—notably foods, which advanced by 7.1 percent. The biggest declines occurred in pharmaceuticals and transportation goods, which had losses of 13.2 percent and 10 percent, respectively. Looking at the cumulative January-August figure, we find a 6.6 percent retraction in Sao Paulo industry.

IBGE's analysis attributes the poor performance of Sao Paulo's industry this past August, when it slumped by 14.5 percent compared with the same month of 1991, to political tension caused by the impeachment [preceding word in English] of suspended President Fernando Collor. Because of its size, Sao Paulo's industry was affected by political developments more than the manufacturing base of other regions. The August decline in Sao Paulo was a 17-month record, and featured negative growth rates in all the surveyed sectors, mimicking the behavior of the previous month (July).

According to IBGE, the heaviest impacts on the weakened performance of Sao Paulo industry were caused by electrical and communications materials (-30.9 percent), especially color TV picture tubes; chemicals (-9.9 percent), due to the reduction in gasoline output; and machinery (-19.5 percent) particularly refrigerator compressors.

* October Oil Production Figures Released

93SM0081B Sao Paulo GAZETA MERCANTIL in Portuguese 18 Nov 92 p 13

[Report by Rio correspondent Fatima Belchior]

[Text] Between January and this past October, domestic petroleum production established itself at 652,400 barrels a day, 1.3 percent more than recorded during the same period of 1991—644,000 barrels a day. October production was at the rate of 650,500 barrels a day, 4,753 barrels higher than September's pace.

Natural gas production during the month of October totalled 19.8 million cubic meters a day, the same daily volume as in September. Of that total, 17.1 million cubic meters a day was consumed.

Brazil: Production of Oil(*) and Natural Gas(**)
(Average production for October 1992)

	Oil Production (bbl/day)			Gas Production (000 m^3/day		
State	Land	Sea	Total	Land	Sea	Total
Amazonas	10,311	—	10,311	676	—	676
Ceara	3,980	14,274	18,254	3	249	252
Rio Grande do Norte	64,513	17,515	82,028	245	1,732	1,977
Alagoas	5,900	—	5,900	1,546	0	1,546
Sergipe	35,539	8,318	43,857	202	1,950	2,152
Bahia	65,101	2,329	67,430	4,233	180	4,413
Espiritu Santo	8,992	2.233	11,225	595	47	642
Bahia	498	—	498	—	—	0
Rio de Janeiro	—	405,526	405,526	—	8,032	8,032
Campos Basin	—	3,697	3,697	—	—	0
Parana	1,774	—	1,774	68	—	68
Total	196,608	453,892	650,500	7,568	12,190	19,758
Percentage share	30%	70%	100%	38%	62%	100%

(*)Includes LP gas (**)Includes reinjected gas.

Source: Petrobras

Petrobras sales of natural gas totalled 8.9 million cubic meters a day, while the other 8.2 million cubic meters were used by the state enterprise at petroleum storage points, industrial plants, and in the petroleum production process itself.

Out of the 650,500 barrels produced each day, 453,800 were taken from offshore fields and 196,600 from onshore fields. The Campos basin, off the cost of Rio de Janeiro, contributed the largest share: 405,500 barrels a day. It also accounts for a significant portion of natural gas production: 8 million cubic meters per day.

* Zoroastro Document Scoring Government Excerpted

93SM0081A Sao Paulo GAZETA MERCANTIL in Portuguese 18 Nov 92 p 6

[Text] Army Minister General Zenildo Zoroastro gave a pessimistic appraisal of the country's current situation yesterday at a meeting of the Army High Command. He said the impeachment [preceding word in English throughout] proceedings against President Fernando Collor and the provisional status of the present administration generate a situation full of uncertainties, Agencia Brasil reports. The general noted the persistence of problems such as poor income distribution, unemployment, the crime rate, unsatisfactory functioning of public services, and overpopulation—Agencia Brasil reported.

The Armed Forces, according to the minister, should remain attentive to "the evolution of tensions that could give rise to threats to the national interest." He advocated reinforcing the military presence along Brazil's borders as a way of guaranteeing sovereignty, yet without neglecting the more populous areas.

During the two-day meeting, Gen. Zoroastro defined the guidelines to be followed by the High Command. Basically, they call for administrative rationalization. Also during the meeting, the list of candidates for the 25 November promotions, to be sent to Acting President Itamar Franco for decision, was revealed.

Following are excerpts from the document read by the army minister during the meeting of the Army High Command as regards his analysis of both the world and Brazilian situations and their consequences for the Army: [without quotation marks, as published]

World Affairs

The end of the historical period characterized by the East-West bipolarity (1945-92) gave way to a worldwide situation of uncertainty in which there is only one military superpower and in which we are starting to see the formation of four large economic blocs, all based in the northern hemisphere.

The countries of South America, left out of the big decisions, are trying to adapt to the changes brought about by the new balance of power scenario. Unfortunately, their social and economic development has been retarded by a debt that amounts to tens of billions of dollars, by a technological lag that is increasing at an alarming rate, and by serious structural deficiencies—among which are political instability, poor distribution of income, and, to a greater or lesser degree, a lack of effectiveness of the public

education, basic sanitation, and health care support systems. Consequently, these countries depend on the hegemonic nations for financing of important projects and procurement of modern industrial services and products, including materials for military use.

In order to achieve their national objectives, certain powers are committed to preventing the rise of competitors who might threaten their interests. They suggest to their clients that they entrust their foreign defense to the mentors of the ideas themselves, or to supranational entities like the UN and the OAS. The influence of those powers is bolstered, in many cases, by the unceasing efforts of nongovernmental organizations—NGO's—of international scope, which may be able to make acceptable to certain audiences, even in Brazil, concepts such as "limited sovereignty" and the "right to intervene." The reduction in the control exercised by some states over their respective territories also occurs because of the expansion of the power of both organized crime and guerrilla groups. The latter occasionally work by mutual agreement in a symbiotic relationship, similar to what has been observed in areas adjacent to our westernmost borders.

The Brazilian Situation

Integrated into the world community—despite being remote from the centers of decision-making—Brazil is undergoing a period of rapid political evolution, but also of persistent inflation accompanied by an economic recession that has already been going on for some years. We are experiencing a situation full of uncertainties that was produced by the impeachment proceedings against our suspended president, by the (supposedly) provisional nature of the present administration, and by the proximity of the scheduled dates for constitutional reform.

One notes a certain amount of disorganization in the federal administrative apparatus, the result of changes introduced during the first year of the Collor government and recent changes in top-level personnel. Tax receipts have declined, owing to the effects of the recession and the deficiencies in legislation and in tax-collecting mechanisms.

While business is prospering in many regions where there is agriculture or mining and in some industrial sectors, the big cities are suffering the effects of unemployment, overpopulation of poor neighborhoods, a high crime rate, and unsatisfactory delivery of public services. Economic problems have contributed to the exacerbation of social inequalities, causing the proletarianization of part of the middle class and an increase in the contingent that is situated at the brink of misery.

The transformations that have occurred in the structure of the family, the loss of prestige by the elites, the marginalization caused by the exodus from rural areas, the abandonment of rules of behavior that were rooted in religious convictions, and the actions of the media—television particularly—have weakened the principle of authority and our sense of morality.

Conflicts over land ownership, both urban ("homeless") and rural (the "landless," Indians, gold prospectors) have become common occurrences. In the Amazon region, we are witnessing the gradual and disorganized settlement of sites where mineral riches are being exploited, even in parts of the strip of land along our borders, opening the possibility that focal points of tension may develop.

Consequences for the Army

The Armed Forces—particularly the Army, due to its troop strength, large contingent of temporary personnel, and dispersion throughout the country—are naturally affected by the national and global contexts in which they operate.

To Brazilian radicals ("internationalists"), the end of world bipolarity and the conclusion of the process of political "opening up" in this country mean the suspension of external support and the elimination of the ideological justification on which they had relied for their assault on the power structure. The economic, social, and political problems faced by the nations of the Americas have been forcing their leaders to forget—even if temporarily—their ongoing rivalries and disputes with their neighbors and to seek mutual cooperation.

Therefore, the move away from both the hypotheses of internal conflict fueled from abroad and the traditional hypotheses of war enable us, today, to conceive of the preparation of the Ground Forces predominantly in the light of its constitutional mission and the permanent national objectives, yet attentive, however, to the evolution of tensions that could give rise to threats to the national interest.

As we approach the end of this century, the historical necessity of the presence of the soldier—the guarantor of national unity, cohesion, and integrity and also of the maintenance of a climate of law and order—once again comes to the fore. That presence is all the more demanded, and already being increased, in newly settled areas or sites still being settled, particularly along the borders of the Far North or the Far East [of Brazil]. Prudence, armed with the information contained in the study of present trends, tells us this presence must be maintained, even if somewhat reduced, in the more humanized and developed areas of this country.

At the same time, the need to begin immediately to prepare the Army of the next decade the possibility (albeit remote) of having to use force within our national territory, the potential need to send troops abroad in fulfillment of international commitments, and the requirement to keep our personnel motivated, up-to-date, and trained oblige us to think about organizing well-trained operational forces and keeping them at full strength, outfitted with modern equipment and ready for very rapid movement and deployment over long distances from their bases.

Chile

Arms Dealer Denies Knowing Mark Thatcher

PY1012134192 Santiago Radio Chilena Network in Spanish 1000 GMT 10 Dec 92

[Text] The son of former British Prime Minister Margaret Thatcher is reportedly involved in the death of English reporter Jonathan Moyle, who was found hanged in his room at the Carrera Hotel in Santiago. Moyle was covering the Santiago International Air Fair in March 1990.

At first it was believed this was a case of suicide. After further investigation it was established that Moyle was murdered, although the motives were never clarified. It was later discovered that Moyle was investigating an alleged illegal arms deal between Chile and Iraq. Those involved in the deal are believed to have eliminated the reporter.

In London, Labor Party legislator Ken Livingston has disclosed that the main supplier of arms to Iraq at that time was Chilean businessman Carlos Cardoen, who was also a business partner of Mark Thatcher, son of former British Prime Minister Margaret Thatcher. Livingston made the accusation in Parliament before Prime Minister John Mayor, who replied that he should provide evidence of the accusation.

A television program tried to prove that Mark Thatcher acted as mediator in the arms sale when his mother was trying to establish a multi-million [currency not specified] sale agreement to the east.

In Chile this alleged link was denied by the Cardoen Company. Carlos Cardoen has said that he does not even know Mark Thatcher. Mario Agliati, public relations director of Cardoen Company, said that two British dailies sent questioners to investigate the accusations of the Labor Party legislator. He said:

[Begin recording] We answered just two questions, one from THE INDEPENDENT and one from THE SUNDAY TIMES. Carlos Cardoen is now traveling. Even the BBC talked to him. This is a cable that came a few days ago. The question is whether or not an Iraqi company was involved, or involve the British. There has been talk for a long time of the possibility that Carlos Cardoen knew Mark Thatcher, the son of Margaret Thatcher. I asked Carlos personally, and he said he never had any commercial contacts with him. Carlos said he does not know him personally. He never talked with him on the telephone or exchanged any letters. They never met; therefore, it is just one more speculation. [end recording]

Agliati added that Cardoen does not do any business in England, and, therefore, any contact with the son of the former prime minister is quite remote.

Foxley on Economic Policy, Agreement With U.S.

PY1012193792 Santiago Radio Chilena Network in Spanish 1600 GMT 10 Dec 92

[Excerpts] Finance Minister Alejandro Foxley said today that in 1993 about 100,000 public employees will get the benefit of a bill that will double pensions, which has already been generally approved in Congress. [passage omitted] Foxley also emphatically said there is no threat from the high increase in consumption reported by business leader Rafael Cumsille.

[Begin Foxley recording] I am not concerned; I do not share that concern. The main elements that explain the growth rate are the increase of exports and investments. Exports are growing at a rate of about 15 percent, and investments at a rate of just more than 20 percent, and this is the reason for the growth rate. This is why we say that this growth rate is solid and healthy, because it is not artificially fabricated by a boom in consumption. This does not mean that consumption is not growing; it is growing but it is not the main reason for growth. [end recording]

In the face of fear by business leaders over the pressure that may be unleashed during the upcoming presidential electoral campaign in 1993, Foxley said the government will not adopt policies of a populist nature:

[Begin recording] The government of President Patricio Aylwin has made it clear that it will keep a very firm economic policy during the electoral campaign next year with a reevaluation and even greater emphasis on our current objectives, especially in the struggle against inflation. President Aylwin has reiterated that we will not enter a populist phase and will strictly maintain what we have been doing with very positive results. [end recording]

Foxley also announced that Chile has reached an agreement with the U.S. Government to reduce by $15 million the $147 million foreign debt Chile owes the U.S. Agency for International Development.

Foxley concluded by saying that the fund for the environment, $20 million, will be in force in the first quarter of next year to implement several projects that will make a contribution to the country's ecological balance.

Colombian Foreign Minister on Trade Agreement

PY1012204092 Santiago Radio Cooperativa Network in Spanish 2200 GMT 9 Dec 92

[Report by Carmen Castro]

[Text] The governments of Chile and Colombia have made substantial progress in negotiating a economic complementation agreement. To discuss the issue, the two parties will meet in March 1993. Chilean Foreign Minister Enrique Silva Cimma and his Colombian counterpart, Nohemi Sanin de Rubio, have signed a declaration in which they commit themselves to using fully the

bilateral political consultation system currently in force in order to strengthen political, economic, historic, legal, and cultural ties.

The two foreign ministers also confirmed their thorough support for the principles contained in the UN Charter and the inter-American system. They also expressed satisfaction with the good relations between the two countries, which will lead to the signing of an economic complementation agreement. Minister Sanin de Rubio made the following comments:

[Begin recording] [Sanin] We not only want to be Latin American brothers of Chile, but also to become partners with Chile and thus share a common future. Naturally, trade is the (?symbol) of the current times, but we also will work hard to achieve a more dynamic cooperation in all fields. Therefore, we agreed to hold, simultaneously with the trade meetings, another meeting to coordinate technological, cultural, and academic fields.

[Unidentified reporter] [Words indistinct] interest between Chile and Colombia in the commercial field.

[Sanin] All of them. I would ask you which field is not of a common interest to the two countries? I believe we are entirely complementary and fully coincide in political matters. Therefore, there could hardly be a more fruitful partnership than the one between our two countries. For this reason we are working to make this partnership become a reality, and we are stimulating it. We know it will benefit our peoples. [end recording]

The two foreign ministers agreed on the importance of preserving and strengthening the democratic institutions based on respect for human rights and the thorough enforcement of the fundamental freedoms, values that contribute to political coexistence and the development of the peoples within the framework of freedom and social justice.

They expressed firm solidarity with Venezuelan President Carlos Andres Perez, with his administration, and with the Venezuelan people. They also reasserted their rejection of the recent attempt to oust violently the constitutional order in Venezuela and emphasized their unrestricted support for Venezuelan democracy.

Communist Leader Marin Meets Honecker in Berlin

PY1112002492 Santiago Radio Cooperativa Network in Spanish 2200 GMT 10 Dec 92

[Text] Chilean Communist leader Gladys Marin said that Erich Honecker, who says that he feels weak from cancer, is very much concerned about his defense. Marin reported on a meeting she had with Honecker at Moabit Prison in Berlin.

She added that the former GDR leader wants to prove the charges against him have no legal grounds because he acted as chief of a state that no longer exists, in keeping with the laws of that state.

[Begin Marin recording] He told me: There is so little time left for me. There is so little time left for me, but I have so many things to do. I have to do what I have to do. I have to explain why I was and why I still am committed to the GDR. I was a man who struggled for socialism, and I will continue to struggle for socialism. [end recording]

Marin said the former GDR leader made no comments about his leaving the Chilean Embassy in Moscow. She recalled the time she met Honecker in the prison, in a small room in which there also were guards and an interpreter.

[Begin Marin recording] To find him wearing a prisoner's suit was very shocking for me. Frankly, whatever one's viewpoint, it is as if the world had suddenly stopped, as if history had suddenly stopped. That was the feeling I had, mixed with the feelings produced by all the events that have occurred over the past decades, right? Beginning with the coup in Chile, the collapse of socialism in East Europe, the Berlin Wall, and the role played by human beings in all these processes, along with their personal commitments and the consequences. [end recording]

The meeting between Marin and Honecker lasted 50 minutes, and took place before Honecker began his defense before the German courts in Berlin.

Colombia

Reportage on Hotel Bombings in Capital

ELN Says Hotels 'Military Targets'

PA1012023692 Madrid EFE in Spanish 0201 GMT 10 Dec 92

[Text] Santa Fe de Bogota, 9 Dec (EFE)—The COLPRENSA news agency has reported three people were injured on the night of 9 December by a bomb explosion at the Orquidea Real Hotel in Santa Fe de Bogota.

The attack was attributed to the Army of National Liberation (ELN), which warned the Colombian hotel network has been declared a "military target" in response to the government's "declaration of all-out war."

Spokesmen of the guerrilla organization notified various Colombian and foreign media that powerful explosives have been planted in at least 10 important Santa Fe de Bogota hotels.

"We warned the hotels and the police so they will evacuate the people in the hotels," stated an anonymous caller, who spoke to EFE and other media.

The alleged spokesman said urban cells have placed bombs in the Tequendama, Orquidea Real, Dann, Charleston, Granada, Cosmos 100, Bacata, La Boheme, Casa Medina, La Fontana, Bogota Plaza, and Bogota Royal Hotels.

[Mexico City NOTIMEX in Spanish at 0159 GMT on 10 December adds: "Official sources reported a car bomb and a powerful explosive device were detonated on the night of 9 December in a hotel in the Colombian capital, causing an undetermined number of casualties. The reports indicated the car bomb was activated at the main entrance of the Orquidea Real Hotel, while an explosive device placed on the first floor of the building caused heavy property damage. Police spokesmen indicated at least three seriously injured people were evacuated from one section of the hotel. The sources added that one of the suspected perpetrators of the attack was arrested when he tried to leave the hotel where an award ceremony was being held for the best secondary school students in this school term. Reports added the blast destroyed several vehicles parked in front of the hotel at the time of the attack at 2110 (0110 GMT)."]

Authorities Adopt Security Measures

PA1012041292 Santa Fe de Bogota Emisoras Caracol Network in Spanish 0246 GMT 10 Dec 92

[Report by Guillermo Franco Fonseca]

[Text] The police have arrested an individual who planted an explosive device at the Orquidea Real Hotel. This man, between 23 to 25 years old, is currently being interrogated by Judicial Police and Criminal Statistics units of the National Police. Antonio Jose Morales, a Chilean citizen, was injured at the La Fontana Hotel in northern Santa Fe de Bogota, where another explosive device went off on the seventh floor. He was taken to a hospital.

Official reports indicate explosive technicians—not only the police and the Administrative Department of Security—are involved in several operations at the La Fontana, Orquidea Real, Royal Santa Barbara, and Cosmos Hotels.

The police are currently under first degree confinement in their quarters. Various measures have been adopted in all sectors of the Republic's capital in coordination with 13th Brigade Units.

General Guillermo Leon Diettes Perez will issue a full report on what transpired in the Republic's capital while the soccer match between Teams Nacional and America was being broadcast to the entire nation.

Some security measures, such as roadblocks, are being activated throughout the Republic's capital. Citizens should be advised vehicles traveling in the city will be searched. We will watch for an official report Gen. Guillermo Leon Diettes Perez, the commander of the Metropolitan Police of Santa Fe de Bogota, will be issuing. Gen. Diettes and the 13th Brigade commander already adopted strict security measures in various sectors of the capital.

Details of Bombings Noted

PA1012214292 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 10 Dec 92

[Text] On 10 December authorities ordered a first degree military confinement to quarters in Bogota. The 9 December terrorist escalation led to the adoption of exceptional security measures.

[Begin recording] [Carlos Gustavo Rodriguez, identified by screen caption] The device exploded under us. The floor was raised up and then it fell. We calmly went to the gate and there was glass and debris everywhere. I went down to the floor where the explosion took place and there was a fire. The floor was totally destroyed. [end recording]

Carlos Gustavo was one floor above, on the 37th, at the time of the explosion. He felt the bomb under his feet. Like 29 other youths, he was preparing to receive the Colombian Petroleum Enterprise award for the best high school graduates of the year. Most of the youths were from the provinces and could not understand why on the day they were to receive awards they had to become victims of terrorism.

The device, which contained 5 kg of dynamite, seriously wounded a student, Julian Sosa of Boyaca; a hotel waiter; Jorge Villamil, a parent attending the event; and a child, Juanita Diaz. The bomb exploded in Room 3605, next to that of Senator Alvaro Uribe Velez, who miraculously escaped death.

[Begin recording] [Uribe] They destroyed that floor and the room, of course. Other floors were also damaged.

[Unidentified reporter] How did you manage to escape?

[Uribe] Thank God, I did. [end recording]

The bomb destroyed the hotel's entire 36th floor, according to witnesses, and was also felt on Seventh Avenue, where five vehicles, including a taxi, were partially destroyed by blocks and bricks loosened by the shock wave.

Another less powerful bomb exploded in one of the bathrooms on the first floor of the Royal Orchid Hotel. A simultaneous attack took place at the Tequendama Hotel, where two devices were detonated on the 8th and 11th floors. Two other 3 kg bombs caused damage at the La Fontana and Royal Hacienda Hotels, north of Santa Fe de Bogota. The end result is 10 people wounded and millions [currency not specified] in losses at hotels and nearby buildings.

General Guillermo Leon Dietes also spoke to reporters.

[Begin recording] [Unidentified reporter] Have you captured anyone?

[Leon] We have one suspect, whom we are investigating. [end recording]

This is what the guerrillas called Black December.

Gaviria Condemns 'Terrorist' Attacks

PA1012215892 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 10 Dec 92

[Text] The promotion ceremony for top police officers is currently under way at the General Santander school. President Cesar Gaviria is presiding over the event.

A few minutes ago President Gaviria said that drug trafficking, terrorism, and cruelty have replaced any political plans the guerrillas may have had, alluding to the wave of terrorist attacks unleashed in Santa Fe de Bogota on the evening of 9 December. The president asserted that the guerrillas want to hold peace talks because they view it as another means of continuing the war.

[Begin Gaviria recording] I ask on behalf of my fellow Colombians: What is revolutionary about planting bombs near the best high school graduates in Colombia? What is revolutionary about injuring local and foreign tourists visiting the capital with sincere love for Colombia? What is revolutionary about contaminating rivers and lands by systematically bombing the oil pipeline that has made Colombia a leading exporter of hydrocarbons? Drug trafficking, cruelty, and cowardice have replaced revolutionary ideals. [end recording]

Presiding over the promotion ceremony for five police generals, Gaviria said all Colombians must help eradicate violent actions, such as those perpetrated on 9 December in the country's capital.

Ecuador

'Puka Inti' Claims Responsibility for Bombs

PA0912200092 Madrid EFE in Spanish 1852 GMT 9 Dec 92

[Text] Quito, 9 Dec (EFE)—On 9 December, a Maoist terrorist group called "Puka Inti" claimed responsibility for bombs that have exploded over the past few days in public buildings in this capital to protest the government's privatization policy.

The bombs damaged state bank installations, the National Telecommunications Institute, and Quito's electricity enterprise. The explosions caused property damage but no injuries.

The "Puka Inti" Maoist Communist Party [Partido Comunista Maoista "Puka Inti"] has sent the media communiques stating that the attacks have been made to protest Ecuadoran President Sixto Duran-Ballen's intention to privatize those and other state entities.

Army Commander Among Eight Killed in Plane Crash

PA1112020292 Madrid EFE in Spanish 0134 GMT 11 Dec 92

[Text] Quito, 10 Dec (EFE)—General Carlomagno Andrade, commander of the Ecuadoran Army, is among the eight persons who were killed when a military plane crashed into a Quito building on 10 December, official sources and eyewitnesses have reported.

The aircraft, a twin-engine Army plane, first hit some trees and then the fifth floor of a building under construction in northern Quito, with several workers inside, according to eyewitnesses.

Although the cause of the accident is unknown, there was dense fog in the area where the plane crash occurred, witnesses said.

Government Objects To Public Employees' Strike Plans

PA0912193092 Quito Voz de los Andes in Spanish 1100 GMT 9 Dec 92

[Text] Jose Vicente Maldonado, public administration secretary general, has stated that the government will not tolerate strikes and work stoppages being used as pressure mechanisms for obtaining state benefits.

Maldonado said the labor strike at Petroecuador [State Petroleum Agency] is the result of some Petroecuador officials' fears that the state may take control of resources that belong to all Ecuadoreans.

[Begin recording] [Maldonado] This problem has two viewpoints. One has to do with the fears of some privileged public sector officials that the state may begin control resources that belong to the Ecuadoran people. There is also a lack of information on their part about the true objectives of the budget law.

[Reporter] [Words indistinct] Ecuador to discuss and shape this law?

[Maldonado] The law has been discussed by the government and the energy sector authorities, of course. The cabinet was informed. The president approved this bill after it had been thoroughly analyzed by the government. [end recording]

Public Employees Stop Work To Demand Budget Repeal

PA1012154292 Quito Voz de los Andes in Spanish 1200 GMT 10 Dec 92

[Text] Ecuador's leading public institutions stopped their activities to protest the new budgetary law. The administrative employees of Petroecuador, the Ecuadoran Social Security Institute, (?Sunapre), and other agencies, stopped work to demand the reversal of the 1993 budget.

These institutions feel they are hurt by the new budget and report the loss of their financial autonomy. The institutions insist on the need to reverse the approval of the new law that controls revenue and disbursements in public enterprises. The strike is preventive, but a nationwide strike for an indefinite time has not been ruled out.

Professors, Students Protest Over Time Change

PA1012160492 Quito Voz de los Andes in Spanish 1200 GMT 10 Dec 92

[Text] A large number of professors, students, housewives, and parents demonstrated in Ecuador's largest cities against the government's decision to set all clocks one hour ahead.

In Quito, professors led marches to demand protection for the students who make a tremendous effort to attend school. Edgar Rodriguez, head of the provincial National Union of Teachers [UNE], insists the time change harms students most of all.

[Begin Rodriguez recording] We have been affected the most. Tens of thousands of children and youths have already been attending classes under difficult conditions for a long time. [end recording] However, Jose Maldonado, the government spokesman, insisted that the measure is temporary and requested understanding from those affected.

[Begin Maldonado recording] The measure had to be taken to prevent the suspension of electrical energy, which is essential for all of our activities. [end recording]

Paraguay

Supreme Court Confirms Decision on Colorado Voters

PY1012174092 Asuncion ULTIMA HORA in Spanish 10 Dec 92 p 1

[Text] The Supreme Court has decided that only those Colorado Party members who are registered with their identity card numbers can vote in the internal elections of the Colorado Party. This confirms the original decision of the National Electoral Court which denied the right to vote of some 200,000 Colorado Party members who do not have the number of their identity cards beside their names in the register.

Although several party leaders believe the internal elections can now be held on 20 December, the Colorado Party Electoral Board has not yet scheduled a meeting to discuss the new date. Meanwhile, the writ of injunction submitted by the [Juan Carlos] Wasmosy ticket to the courts, which led to the suspension of the elections, now has no basis because the Supreme Court decision encompasses the matter.

Poll Shows Preference Changes for 1993 Elections

PY1012204792 Asuncion TIEMPO 14 in Spanish 10 Dec 92 p 6

[Summary] The poll conducted by TIEMPO 14 among people of both sexes, various ages, and different parts of the country attending Virgin of Caacupe Day celebrations shows a change of preference during the past few months for the 1993 presidential elections. The poll, compared with one published by ULTIMA HORA in early November, shows that 20.7 percent—22.4 percent in November—now prefer the Juan Carlos Wasmosy-Angel Seifart Colorado Party slate, and 17.6 percent—24.8 percent in November—the Luis Maria Argana-Juan Bautista Ybanez slate. Another change reflected by the TIEMPO 14 poll is that the Colorado Party, as a whole, has lost popularity. In November, 45.2 percent of the people preferred one of the Colorado Party presidential candidates, that is, Argana, Wasmosy, or Gustavo Diaz de Vivar, compared with 36.2 percent of those who preferred one of the opposition candidates—Domingo Laino, Guillermo Caballero, or Ricardo Canese. In the unlikely case that the three opposition parties merge to run with a single candidate, they could win the 1993 presidential elections by 53.8 percent of the votes compared with 46.2 percent for the three Colorado Party candidates.

Colombian Minister Views Integration, Cooperation

PY0912134692 Asuncion ULTIMA HORA in Spanish 8 Dec 92 p 22

[Text] Colombian Foreign Minister Noemi Sanin de Rubio yesterday, during a news conference at the Colombian Embassy in Asuncion, said: "We must make our businessmen the protagonists of Paraguayan-Colombian integration."

She expressed her satisfaction with her visit because its goal of strengthening ties with Paraguay has been fulfilled.

Sanin de Rubio added that she and Foreign Minister Frutos Vaesken agreed to stimulate relations, not just seeking to establish friendly ties—which already exist—but to make bilateral relations more dynamic, pragmatic, and fluid.

She pointed out that Colombia has, for the last few years, been the most dynamic and consolidated economy in Latin America and emphasized that during the last 15 years, its economy has grown 4.5 percent [as published].

Sanin de Rubio said that the drug trafficking issue was discussed because Paraguay has always shown solidarity with Colombia at international forums.

The Colombian foreign minister added that the two countries will participate in bilateral cooperation in the technological, academic, and cultural fields.

She also mentioned signing a very important agreement that complements treaties that refer to dual nationality. From now on, Paraguayans will not need a visa to visit Colombia and vice versa.

Regarding support of our democracy and her visit to Congress, Minister Sanin de Rubio said: "We significantly support Paraguayan democracy. We believe the democratization process in this country is very important because for many years there was no democracy here."

Peru

'Slightly Ill,' Fujimori Suspends Bolivia Trip

PA1012183592 Paris AFP in Spanish 1729 GMT 10 Dec 92

[Text] Lima, 10 Dec (AFP)—President Alberto Fujimori suspended his trip to Bolivia this morning because he felt "slightly ill," Transportation and Communication Minister Alfredo Ross reported at Lima Airport.

The president's sudden decision was confirmed at the Government Palace while the majority of his ministers waited for him at the airport to depart for La Paz.

A press secretariat spokesmen told AFP they did not have "much information" on whether the cancellation of the trip is temporary or definitive. Nevertheless, radio stations in Bolivia reported that Fujimori had already explained to President Jaime Paz Zamora his reasons to postpone the visit until 24 January.

While four ministers, as well as officials and correspondents who arrived at the airport early in the morning, waited for the president at the Peruvian Air Force's Air Group 8 base, close to Lima International Airport, it was reported that Foreign Minister Oscar de la Puente had been urgently recalled to the Government Palace.

"The president's illness prevents him from making the trip that had been scheduled for early in the morning," the official news agency ANDINA reported.

On 9 December, Fujimori visited Pampa de la Quinua, a region high in the Andes, in Ayacucho Department, 450 km southeast from Lima, where he presided over a civil-military ceremony. It has been speculated that his busy agenda and the cold climate of the area might have affected him.

The first report on Fujimori's health was given by Minister Ross to the journalists who already were aboard the presidential plane.

Fujimori had planned to make a two-day visit to Bolivia to meet with Paz Zamora and to sign agreements related to bilateral trade; the inauguration of an air route between Santa Cruz, Bolivia, and Ilo, on Peru's southern Pacific coast; and the reinforcement of the fight against narcoterrorism at the common border.

It has been announced that Fujimori had also planned to visit Cochabamba. The gazette published on 3 December a resolution whereby the Council of Ministers, in the absence of the Congress, which has been dissolved, authorized Fujimori's trip. The gazette even reported that Labor Minister Augusto Antoniolli would be acting president during Fujimori's absence.

Interior Minister General Juan Briones and Defense Minister General Victor Malca arrived at the presidential building after the trip suspension was announced.

Communique Issued

PA1112020892 Lima Global de Television Network in Spanish 0100 GMT 11 Dec 92

[Communique No. 66 issued by the Foreign Relations Ministry Press Directorate in Lima on 10 December]

[Text] The Foreign Relations Ministry wishes to report to the people that due to unforeseen health reasons, Alberto Fujimori, President of the Republic, was forced to suspend—until further notice—his official trip to the Republic of Bolivia scheduled to start on 10 December.

The Foreign Relations Ministry reaffirms the permanent goal of the Peruvian Government to strengthen traditional friendship and cooperative ties that exist between the fraternal nations of Peru and Bolivia. These ties have received strong support from both governments through the signing of the Ilo agreements and a free trade agreement, efforts to exploit jointly the water and hydrobiological resources of Lake Titicaca, and the homage paid to the Grand Marshal Andres de Santacruz on the occasion of the bicentennial of his birth.

In keeping with those goals, the foreign ministers of the two countries will, as soon as possible, sign and exchange notes on the call for an international bid for the Port of Ilo, a complementary accord to the agreement on the participation of Bolivian companies in the tourist and free zone area of Ilo Beach, the creation of the Peruvian-Bolivian Cultural Institute, and the creation of a binational organization tasked with implementing a study of Titicaca Desaguadero Poopo and Salazar de Coipasa, which is also known as the Tdps system.

The foreign ministers also will exchange notes to register compliance of their respective countries with legal internal requisites leading to the implementation of the Grand Marshal Andres de Santacruz Basic Binational Friendship, Cooperation, and Integration Agreement.
[Issued] Lima, 10 December 1992
[Signed] Foreign Relations Ministry Press Directorate

Foreign Minister Comments

PA1012214192 Lima Radio Programas del Peru Network in Spanish 1800 GMT 10 Dec 92

[Text] We are in touch with La Paz, Bolivia, and our special correspondent Jose Marino. Good afternoon, Jose.

[Marino] Good afternoon. It was 1200 hours in La Paz when local and foreign media were finally informed that Peruvian President Alberto Fujimori's visit to Bolivia had been definitely canceled.

Everything was ready for the visit, including the 18,000 soldiers and police who were tasked with providing security for the Peruvian delegation.

Peruvian Ambassador Oscar Maurtua and Bolivian Foreign Minister Ronald MacLean held a joint news conference at the Bolivian Government Palace to explain the reasons for the cancellation. Let's listen.

[Begin recording] [MacLean] President Fujimori has canceled his visit. I am going to ask Ambassador Maurtua to make the official announcement. Immediately after this ceremony, we are going to continue with the commemoration of the 200th anniversary of [words indistinct] Marshall Andres de Santa Cruz. Ambassador, please deliver your message.

[Maurtua] Thank you, Mr. Foreign Minister. We were at the airport when the Peruvian foreign minister telephoned Mr. MacLean to report that President Alberto Fujimori was indisposed.

On 9 December he participated in celebrations in the Peruvian mountain area of Ayacucho and apparently he has suffered dehydration. As a result of this, his doctors have recommended that he not visit high altitudes because his health could suffer. The presidents of Bolivia and Peru, however, have talked on the telephone and coordinated matters at the Foreign Ministry level so that the documents that were to be signed on 10 December may be signed as soon as possible.

At the same time, the two presidents clearly established their firm disposition to meet as soon as possible, after seeing how the president's indisposition evolves.

I want fraternally to ask the Bolivian people and government to excuse us for this situation. Sometimes the unexpected happens. Everything was ready. We know, however, that President Fujimori enjoys the love of the Bolivian people and government. This is just an unfortunate circumstance. President Fujimori was at the airport, ready to board the plane, but his doctors insisted that returning to high altitudes after the dehydration process he endured on 9 December would endanger his health.

[MacLean] I want to add that President Fujimori has just spoken with President Jaime Paz Zamora and has stated his deep regret and his desire to have been able to visit La Paz. As the ambassador has explained, it was not medically advisable to visit a city at a high altitude after suffering from dehydration. We have said everything that had to be said. We think that a tentative date for this presidential visit could be 24 January, on the first anniversary of the signing of the [words indistinct] agreements. [end recording]

[Marino] Bolivian President Jaime Paz Zamora also spoke publicly about the canceled state visit at Plaza de Armas Square in La Paz. Let us listen to him:

[Begin Paz Zamora recording, in progress] ....that Marshall Andres de Santa Cruz, who did it not only on behalf of the Bolivian people but also on a special telephone request from Peruvian President Alberto Fujimori that I make an offering on behalf of the brotherly Peruvian people.

Marshall Andres de Santa Cruz struggled for the unity of Bolivia and Peru as our two governments and the two presidents are doing now through projects as important as that carried out in [name indistinct] with perspectives toward [words indistinct] La Plata River and the Atlantic, thus guaranteeing Bolivia's presence in the Pacific and the brotherly presence of Peru through [words indistinct] in the Atlantic. [end recording]

Ministers Offer Differing Accounts

PA1112034392 Lima Global de Television Network in Spanish 0100 GMT 11 Dec 92

[Excerpt] [passage omitted] [Begin recording] [Labor and Social Promotion Minister Augusto Antonioli] On behalf of President Alberto Fujimori, I must tell you the trip to La Paz, Bolivia has been canceled for health reasons. The president has low blood pressure and I believe it must be the result of the intense activities in Ayacucho on 9 December.

[Unidentified reporter] Is it possible the president could travel on 11 December?

[Antonioli] First we must determine the state of his health. On 9 December the president experienced some discomfort in (Aquino). The doctor checked him on 10 December and told him he needs rest and a special treatment. [end recording]

A hour later, at the offices of the Bar Association, Justice Minister Fernando Vega Santa Gadea gave a different version of what happened.

[Begin recording] [Vega] I understand he was a little ill, but it is nothing serious.

[Reporter] What do the doctors say?

[Vega] The president is indisposed; he has a stomach illness, I understand. I am going to the Government Palace now. [end recording]

Meanwhile in La Paz, Bolivia, where the news on the suspension of the trip was received with a feeling of frustration, there was talk the visit could be postponed until 24 January 1993, the first anniversary of the Ilo Agreements.

Fujimori Sees 'Pacification' as Main Goal

PA1012142892 Lima Panamericana Television Network in Spanish 1200 GMT 10 Dec 92

[Text] President Alberto Fujimori has reiterated his government's decision to pacify the country before his mandate expires in July 1995. He said that this objective will be fulfilled at all cost. He noted that without peace there cannot be civilized coexistence in Peru.

The chief of state delivered a strong speech in historic La Quinua, a plateau where the independence of Peru and South America was consolidated 168 years ago.

It only took three months to repair 108 km of the Mejorada - Mayoc - Huanta road, on the border between the departments of Ayacucho and Huancavelica.

President Fujimori arrived to dedicate the works, which involved the investment of more than 2 million sols. The main event took place in La Quinua.

The ambassadors of Argentina, Colombia, Bolivia, Chile, and Ecuador were present for the ceremony in this Ayacucho Department plateau.

Fujimori was the first president to participate in these celebrations since 1974. He was declared illustrious guest and given the key of La Quinua.

Ayacucho Bishop Monsignor Luis Cipriani delivered a firm statement assuring the townspeople that human rights are being respected in Peru, an important step for consolidating peace in the nation.

Fujimori responded to the bishop's statement saying that without peace there will be neither development nor civilized coexistence, culture, or protection of human rights in Peru.

[Begin Fujimori recording] As Monsignor Cipriani—a spokesman for the church—has said, we are defending the human rights of 22 million Peruvians. We can say openly and directly that this struggle we are waging is in legitimate defense of life, sovereignty, and liberty. This is what moves us to work for peace everywhere in Peru.

Today we can say that the peasant patrols and our soldiers are now on the offensive in many fronts. Soldiers and peasant patrols are struggling together in Ayacucho, in Huancavelica, and in Mantaro, against Peru's enemies.

I have assumed the commitment to free Peru of terrorist threats. Here, in this historic La Quinua plateau, I reiterate my oath that both Shining Path and the Tupac Amaru Revolutionary Movement will be totally defeated before the expiration of my mandate. [applause]

Peru's pacification is my government's main goal and all our domestic-oriented policies revolve around this goal because without peace, Peru will not have development, or civilized coexistence, or culture, or the protection of human rights, or the investments we need to invigorate our economy. [end recording]

Sol Peru Committee Founder Interviewed

PY1012144692 Lima CARETAS in Spanish 26 Nov 92 pp 38, 39, 81

["Excerpts" of an interview with Adolfo Olaechea, founder of pro-Shining Path Movement Sol Peru Committee, by Fernando Tuesta Soldevilla in London; date not given.]

[Excerpts] [Tuesta] Please describe the activities of the Sol Peru Committee?

[Olaechea] The Sol Peru Committee seeks to explain to Britain and other European nations the true situation currently confronting Peru. The organization follows the main tenets of those who believe that the people's war in Peru is a just cause, and that it is right for the current needs of our people.

[Tuesta] If that is the case, why deny its link with Shining Path?

[Olaechea] Shining Path is a political party. It is also known as the Communist Party of Peru. As a political party it has members and can decide whether to accept or reject membership applications.

[Tuesta] Do you endorse the basic tenets of the Shining Path?

[Olaechea] The Sol Peru Committee supports the people's war. It endorses the Communist Party of Peru's leadership in the people's war which it considers to be correct under the current circumstances in Peru. It considers it to be right. Anything that is right merits our endorsement.

[Tuesta] What would you describe as inappropriate?

[Olaechea] It would be inappropriate to support the MRTA [Tupac Amaru Revolutionary Movement] in Peru.

[Tuesta] Do you approve of Shining Path's actions over the last 12 years?

[Olaechea] Of course. We believe that the Shining Path has achieved precisely the opposite of what is claimed in Peru.

[Tuesta] Do you believe the Shining Path has absolutely no connection with drug trafficking?

[Olaechea] Of course. Nobody has proved such a connection exists.

[Tuesta] Why the interest, then, in seeking control of the Huallaga region?

[Olaechea] There is no special interest in the Huallaga region. The truth is that many people there are victimized by the oppression of drug traffickers and Peruvian Army personnel. That region is fertile ground for revolutionary activities.

[Tuesta] Do you contribute to EL DIARIO?

[Olaechea] Yes.

[Tuesta] By writing articles ....?

[Olaechea] Yes, by writing articles, and also financially when we buy the publication.

[Tuesta] Have you had any problems with the British Government?

[Olaechea] None, whatsoever. On the contrary, we have police protection following a recently discovered plot. I do not know whether you know about this. We learned of a scheme that sought to link us to drug trafficking through the murder of Luis Arce and myself, which would discredit us through our alleged link to drug trafficking. The murder would have been passed off as a vendetta between traffickers and the Shining Path. The second part of the plot—which was made public by British newspapers, by Scotland Yard, by senior police officers, and by government officials—envisaged the murder of a British diplomat in Lima.

[Tuesta] Why would they want to kill you? Are you that important?

[Olaechea] They tried to extradite us, but to no avail. People laughed at them.

[Tuesta] Has your message been widely accepted in Great Britain?

[Olaechea] Yes, very much so. There are newspapers with a nationwide circulation which, whenever we wish so, place a whole page at our disposal, if need be, so that we can expound our views on something. We have, for instance, published President Gonzalo's [Shining Path leader Abimael Guzman] speech delivered from Fujimori's cage. We sold more than 25,000 copies.

[Tuesta] Do you agree with what Guzman says in that speech?

[Olaechea] Absolutely. Dr. Guzman stated that there are only two alternatives open to Peru: One leads to the shackles of Fujimori's fascism, to the country's total submission to a foreign power—such as American imperialism, which has actually already increased its influence to our land. This alternative will not benefit the country at all. The other is the establishment of a broad national liberation front by those interested in building a Peru ....

[Tuesta] Given the fact that you fully share the views of Shining Path, what is the problem then in acknowledging that you are part of that organization?

[Olaechea] I have not been bestowed with the honor of being a Shining Path member.

[Tuesta] Why not?

[Olaechea] The Communist Party of Peru only accepts members who live in Peru. They are entitled to devise their own rules.

[Tuesta] Have you applied for membership?

[Olaechea] No. You may wonder why I have not done so. I am not worthy to belong to the Communist Party of Peru.

[Tuesta] What do you believe you lack?

[Olaechea] I should be fighting right where the action is taking place, and here I merely play the role of a patriot.

[Tuesta] You say you fully endorse Shining Path actions. Have you any comment on the murders perpetrated by Shining Path? Do they not exist?

[Olaechea] No, I am not saying they do not exist. It is not I, but a leading British journalist—who may very well be called the top journalist in the world, John Simpson—who has stated that Shining Path murders selectively whereas the Peruvian Government murders indiscriminately. [passage omitted]

[Tuesta] Do you have any relation to or conflict with the "Peru Support Group," [preceding name in English], which has the support of Mrs. Judith Condor [not further identified]?

[Olaechea] The members of that group support the Peruvian Government. All of them, Mrs. Condor included, are reactionary people and yet they do not dare engage in any debate with us.

Police Disperse Democratic Platform March

PA1012134792 Lima Global de Television Network in Spanish 0100 GMT 10 Dec 92

[Text] Sudden police repression near the Lima provincial jury prevented candidate Michel Azcueta from registering for the post of metropolitan mayor in the elections. Police repression with tear gas showed no mercy, nor gave any explanation for Democratic Platform [Plataforma Democratica] sympathizers who had rallied in support of Michel Azcueta to register for the municipal elections.

[Begin recording] [Unidentified speaker] We are Democratic Platform members who have come to register to take part in the municipal elections.

[Unidentified reporter] Where is Mr. Azcueta?

[Speaker] He must be inside, but regrettably the police have brutally repressed a peaceful activity. [end recording]

Here you can see how the police took away the posters used in the march to rally support for the official registry of Michel Azcueta for the Lima municipal elections. No one knows why the police have acted this way. The march was peaceful and was headed toward the department's jury.

[Begin recording] [Unidentified reporter] What is your reaction to the police intervention?

[Carlos Amata, Democratic Platform committee president] I reject such a stupid attack on a citizen's right to register a democratic election roster. This attack seems even more stupid when you take into account Michel's image is one of peace, solidarity, and efficiency to resolve the people's problems.

[Reporter, addressing policeman] Who gave the order? Was there an order forbidding the march? What happened? [policeman refuses to answer] Please tell us why the march was broken up? [end recording]

In view of this, Democratic Platform suspended its registration.

[Begin Amata recording] The party will not register today because there are no citizens' rights for their peaceful and orderly registry. I am going to lodge a complaint at the prefecture. Here we are exercising a civic right; everyone was quietly on their way here to register. There was no other type of demonstration. The people were simply happy to have a candidate, a roster, and a democratic representation. In addition, they had a good possibility of winning, in the case of Lima. [end recording]

The attack had a happy ending, because those attacked, far from shying away, preferred to dance as a clear lesson that they believe in democracy.

[Begin unidentifed speaker recording] No, I do not believe there has been much of a crisis here, but there was some repression. It was not serious.

[Reporter] What have you decided?

[Speaker] I have simply asked for more support. [end recording]

Daily Says 'Narcotraffickers Bribe' Military

PY1012225592

[Editorial Report] Lima LA REPUBLICA in Spanish on 26 November publishes on pages 14 and 15 a 2,000-word special report by journalist Francisco Reyes entitled: "Narcotraffickers Bribe Armed Forces Officers." The article focuses primarily on how the "drug lords" operate in the Huallaga region, from Tingo Maria to Yurimaguas, despite the fact that nearly 5,000 military and police personnel are stationed in the region.

The article reports that Navy personnel stationed in Aguaytia turn a blind eye to the daily landing of small Colombian planes in the township of La Libertad, which is located only 15 minutes from Aguaytia. Former Padre Abad Subprefect Manuel Calle Tezen charged: "The Navy only wants to fight terrorism, not the drug trade. Navy personnel want the area to remain in a state of emergency so they can profit from the drug trade." Calle was dismissed from his post on 6 May.

The article cites an incident that occurred on 26 June in Saposoa, another drug trade center in the Huallaga region, where an Army patrol—after failing to intercept a Colombian plane that took off with cocaine paste—took on Tupac Amaru Revolutionary Movement members who had sold the drug. The military personnel seized the drug money.

LA REPUBLICA adds that on 21 June another Colombian plane took off from Bellavista, north of Juanjui, carrying 500 kg of cocaine paste. A local "drug boss" known as "The Pole" had hired Army personnel to guard the shipment.

The article reports that Army personnel stationed in the Upper Huallaga region earn meager salaries and thus are vulnerable to bribes. On 30 January, an Army captain known as "Javier" made a $30,000 deposit at an Interbanc branch in Juanjui. Journalist Adolfo Isuiza Urquia, who asked a prosecutor to investigate how a captain earning only $250 monthly could have access to such a large amount of money, was found dead in August.

The article quotes the following remarks by a discouraged Army officer: "The doors are open to drug trafficking." It adds that two large landing strips are operating only 4 km from the Puerto Pizana-based Army garrison. Colombian planes have been taking off from there twice a week.

The article charges that "local drug traffickers are paying $5,000 per shipment of 500 kg of drug to the captain in charge of the Pizana military-political command."

LA REPUBLICA adds that in 1991, military personnel went as far as fighting each other to take control over Campanilla, an area where thousands of tonnes of cocaine are marketed every week.

Demetrio Limoniel Chavez Herrera--aka "Vaticano," "Jerusalem," "Reagan," and "Saddam"—today is one of the leading drug traffickers in Peru. The article quotes a "Vaticano" partner as saying: "The military is collecting $300,000 monthly to let us work." "Vaticano," who is linked to the Medellin cartel of the Rodriguez Orejuela brothers, is believed to be handling 60 tonnes of refined cocaine per year.

The article notes that "Vaticano" has not yet been arrested because he is very clever and because he has informers among security forces. About a week ago, Army personnel were deployed to Campanilla to block "Vaticano's" operations in the area.

Uruguay

Mercosur Secretariat Says Paraguay Not To Leave

PY1012015292 Madrid EFE in Spanish 1643 GMT 9 Dec 92

[Excerpt] Montevideo, 9 Dec (EFE)—Members of the Common Market of the South (Mercosur) permanent secretariat today asserted that Paraguay's decision to withdraw from the Mercosur negotiation groups as a way of protesting against an Argentine tax is not formal.

A report on Paraguay's alleged decision to leave the Mercosur was released in Asuncion on 8 December, after Argentina decided to increase from 3 to 10 percent the so-called "statistics tax," which affects Paraguayan exports.

The Mercosur Secretariat in Montevideo only received a letter reporting the Paraguayan Government decision, although the letter points out that the decision was made outside the procedures agreed upon by the member countries.

According to these procedures, Paraguay must report its decision to the other Mercosur partners and not to the secretariat.

Paraguay, Argentina, Brazil, and Uruguay agreed to create the Mercosur through the Asuncion Treaty, which was signed by the four countries' presidents on 26 March 1991 and ratified by all the member countries during the following seven months.

According to a report by Alvaro Moerzinger, Mercosur Administrative Secretariat Director, despite the decision, Paraguayan negotiators in Subgroup No. 1 on economic policies will continue participating in the Montevideo meeting, which started on 7 December.

In several reports to the press, Uruguayan officials downplayed the importance of the news that Paraguay will withdraw from the Mercosur negotiations. [passage omitted]

Venezuela

Perez Sees 'Positive Reaction' in Coup Attempt

PA1012155792 Mexico City NOTIMEX in Spanish 0531 GMT 9 Dec 92

[Text] Mexico City, 9 Dec (NOTIMEX)—During an interview with the 24 Horas news program of a private Mexican television station, Venezuelan President Carlos Andres Perez said Venezuela is living through a great experience because the people participated widely in the elections that followed the foiled coup attempt, and this participation means support for democracy.

The president of Venezuela said that the foiled coup produced a positive reaction among the Venezuelan people, who perceived the need to have a true democracy.

President Perez noted that, in spite of the bad image the coup attempt projected abroad and though it "was regrettable and painful for Venezuelans because it disgraced us in Latin America, it also made the people of this South American country react very positively."

Perez rejected the prediction of some U.S. political analysts who believe that there will be a new coup d'etat in Venezuela. He said that the past foiled coup attempt took place under inexplicable circumstances. The existence of a military brotherhood [logia militar] formed in the Armed Forces over the last 10 years may explain the coup attempt, he said.

President Perez noted that the insurrection took place at a difficult moment in Venezuela, which had been carrying out an economic adjustment project. He said: "This was the last military coup in Venezuela. I can assure all my fellow Latin Americans of this."

The president viewed the fact that Peru granted asylum to the rebels as normal considering that Venezuela broke relations with that nation, which has broken constitutional order and established a Haitian-style dictatorial regime.

Perez admitted that in Venezuela, like in all the Latin American countries, there was corruption, but now, he said, everything is different. "That is over in Venezuela. Now all the systems are very clean," he said.

In the past, he explained, there was corruption, "especially because the regimes functioned on a discretionary basis and the executive branch—the president and his ministers—had the keys to all the doors leading to economic relations between the private sector and the state."

Perez Addresses Air Force Anniversary Ceremony

PA1012221192

[Editorial Report] Caracas Venezolana de Television Network in Spanish at 1400 GMT on 10 December begins broadcasting a 67-minute ceremony held at the General Francisco Miranda Military Air Base at La Carlota Airport in Caracas to commemorate the 72d anniversary of the Venezuelan Air Force.

The announcer notes that in addition to President Perez, Angel Zambrano, Central Information Office director; General Ivan Dario Jimenez, defense minister; Gen. Eutimio Fuguett Borregales, Air Force commander; and other high-ranking military officers are present at the ceremony.

At 1408 GMT an unidentified officer announces the beginning of an air show and describes the aircraft as they fly over the air base. An unidentified civilian then delivers a speech on the history of the Venezuelan Air Force. Two unidentified masters of ceremony, one

civilian and one military, then describe the aircraft participating in the air show and recount episodes in the history of the Venezuelan Air Force.

At 1458 GMT President Perez addresses the pilots performing in the air show via a two-way radio to congratulate them on their fine show. Perez states "this air show has a special significance, because it is an homage to the Venezuelan people by the Air Force in the skies above Caracas and is meant to show all Venezuelans that we can maintain our confidence because the Venezuelan Air Force is unhurt, that its pilots are at the service of the nation, and at the service of democracy." Perez ends his message at 1501 GMT.

At 1502 GMT the civilian master of ceremony reads a message from President Perez to the Venezuelan Air Force. The master of ceremony reads that during the recent coup attempt "the Air Force had no doubts as to its duty. In an honorable attitude, the men and women of military aviation assumed their duty of defending the essential values that rule the lives of soldiers." The civilian master of the ceremony continues reading "the soldiers not only guaranteed the defense of the democratic system, but—due to history's twists—the electoral process, which the rebels meant to block, was encouraged and strengthened by the example set by the Armed institution." The master of ceremony finishes reading the president's message at 1506 GMT.

The military master of ceremony announces the air show is over at 1507 GMT.

* Controversy Surrounds Electricity Rate Increases

MEM Raises Rates

93SM0048A Caracas EL NACIONAL in Spanish 17 Oct 92 p D1

[Article by Ana Diaz]

[Excerpt] Under the terms of a joint decree issued by the Energy and Mines Ministry (MEM) and the Development Ministry and published in the GACETA OFICIAL, the new electricity rates for the residential sector and industrial-commercial sector go into effect today. The rate schedule includes small, gradual monthly increases per kilowatt/hour [kwh] of electricity used, in addition to a basic charge and also a special payment that for residential customers will be postponed and paid in two installments, respectively in January 1993 and January 1994.

Under the chairmanship of Alirio Parra, energy and mines minister, and with the participation of the Institute for Consumer Education, the Electric Power Regulatory Commission (CREE) has worked hard in recent months to establish a rate schedule that would be different from the previous one, under which the low-income customers subsidized those of higher income and there was an excessive and inefficient consumption of energy. According to a highly placed source in the government, the original petitions presented to the CREE by the private and public companies included larger increases (50 percent larger), but in the end it was decided to adopt a uniform standard based on specialized technical analyses.

It was learned through other channels, however, that Caracas Electric Power (Elecar) caused consternation among the CREE people when it presented a petition requesting rates that were higher than those agreed on. As a result, the vice president of the company held an emergency meeting with Parra to resolve the situation, and a solution was reached.

The GACETA published the main points of the rate schedule. A social rate was established that will benefit 25 percent of the 2 million customers in the nation (the consumers of lowest income). This social rate applies to a monthly consumption of 100 kwh and will not exceed 1 percent of the minimum wage of 9,000 bolivares per month, so that the amount paid will be between 25 and 73 bolivares per month, depending on the company (Elecar will charge 45 bolivares per month). This rate cannot be adjusted to reflect any increase in fuel prices nor any inflation-generated increase in the expenses of the electric power companies.

The aforementioned source declared that the decision to establish new rate schedules was inevitable and could no longer be delayed, inasmuch as funds were having to be taken from other social programs (hospitals, schools) to subsidize the rate freeze. The new rates will be in effect for a period of 36 months.

Middle Class and Above

For residential customers there is a single rate that is graduated for all consumption in excess of the social rate. That is to say, users will pay the social rate (the basic charge) for the initial 100 kwh, but above that amount will pay a rate whereby both the per-unit cost and total cost will increase as consumption increases, depending on the consumption model adopted. The cost per kwh used rises or remains stationary in accordance with the level of consumption, and this is an incentive to conserve electricity. According to technical studies regarding Elecar customers, a broad spectrum of the residential middle class in the capital district uses more than 500 kwh—an amount above the norm of 400 kwh that prevails in other countries.

Without including adjustments that reflect the cost of energy, the rates will increase by an average of six centimes per kwh per month. In addition, there is the special payment (averaging 15 centimes per kwh), which will be payable in two installments of 7.5 centimes each in January 1993 and January 1994 respectively. It is a way to provide compensation for the period—beginning in September 1991—during which the rates were frozen. This special payment represents 26 centimes per kwh in Elecar's rate schedule, divided into the aforementioned two installments, whereas in the case of Cadafe [Electrical Administration and Development Corporation] the figure is 16 centimes per kwh.

A single rate schedule applies to the commercial and industrial sectors—in contrast to the former schedule, in which the two sectors were separate. The monthly adjustments—and the initial payment, which ranges from 18 to 69 centimes—become effective simultaneously, that is to say, as of the date of publication of the MEM-Development Ministry decree.

The CREE believes this new rate schedule is a step toward rationalization of the consumption of electricity in Venezuela, in that it lays the foundation for an integral energy policy that involves the increasing use of natural gas and hydroelectric power with a view to freeing liquid petroleum products for export. This rate schedule brings competitive factors into play that yield benefits to the consumer in the medium term; encourages the rational privatization of the state-owned electric power companies when the government deems it appropriate; provides an adequate supply of electricity; and tends ultimately to reduce technical costs. Indeed, an electric power company that does not use energy efficiently and thereby loses money will be penalized by the CREE, which will accordingly suspend the company's authorization to collect payment from the public. In fact, power companies have 60 days from the effective date of the decree to correct whatever technical defects prevent them from providing the best possible service to the consumer.

Another cost factor that has been added to the new rates is the inter-company sales of electric power through the instrumentality of the Interconnected System, as in the cases of Cadafe and Edelca [Caroni River Electrification Project]. New monthly price adjustments were also approved for Edelca, which supplies hydroelectric power from Guri. [passage omitted]

AD Rejects Increases

93SM0048B Caracas EL NACIONAL in Spanish 21 Oct 92 p D2

[Article by (name illegible)]

[Excerpt] Democratic Action [AD] is totally opposed to the government's decision to permit rate increases in the electric power sector, as several AD officials have declared, including the party's secretary for professionals and technicians, Mabelly de Leon Ponte, who chaired the committee appointed by the CEN [National Executive Committee] to determine whether the increases in the cost of this public service is justified or not.

An unofficial source disclosed yesterday that the principal opponent of these increases was AD Secretary General Luis Alfaro Ucero himself, who displayed his annoyance with the president of the Republic by declaring that he would not allow any such increases, because AD had not been informed of them.

In connection with the CAP [Carlos Andres Perez]-Alfaro controversy, the AD leader further demanded that the special edition of the GACETA OFICIAL officially announcing the rate increases not be published.

The party's national leadership yesterday reviewed the report submitted by the aforementioned committee. The report frankly states that the committee's disagreement with the rate increases is based on its discovery that the funds derived from previous increases have been invested by the power companies in other areas, as occurred recently when Caracas Electric Power [Elecar] bought stock in CANTV [National Telephone Company of Venezuela] for approximately $300 million.

The committee refuses to approve the rate increases because, among other things, the CEO's in the sector refused to submit to the AD committee either the industry's financial statements or its projected future investments.

"All of this demonstrates that the industry is not losing money, and that the users have no reason to finance investments that the industry wants to make in other areas," the committee emphasizes in its report.

Carlos Canache Mata—and representatives of the labor union sector Federico Ramirez Leon and Jose Beltran Vallejo—were initially consulted for their views and also stated their opposition to the increases.

Canache Mata pointed out that the government—by decree of the Ministry of Development—had agreed to the rate increases, but added: "Even though the decision may have been justified from the technical standpoint, we do not agree with it, because there are also occasions when political criteria must be used in making an analysis of the economy."

Labor union leader Beltran Vallejo called the official decision to approve these rate increases a blow dealt to the people of Venezuela, "because," he said, "the impact that electric power has on industry in general is very great and drives up costs at every level in an alarming manner."

Beltran Vallejo said he believed the decision is a crime against the people for two reasons, first because of the rise in the value of the dollar, and second because of the rise in the price of electricity—which together, he said, will wipe out the most recent wage increases.

"The government is creating an explosive situation that is extremely dangerous for democracy," Beltran Vallejo emphasized.

Federico Ramirez Leon, AD national secretary for labor affairs, explained that he is opposed to these increases because the companies offering this service have not disclosed gross margins that would indicate they are sustaining losses.

Because there is reason to believe that these companies have invested their huge profits in other areas, Ramirez Leon has asked that the national government carry out an in-depth investigation of this matter. He also asked

that the technical organs of Cordiplan [Office of Coordination and Planning] and the Development Ministry establish the profit margins—inasmuch as that is the purpose of the Committee on Costs, Prices, and Wages—and thereby establish the wages of the workers.

He emphasized that in the meantime these organs should not authorize the increases in the rates for electricity. [passage omitted]

CREE on Inflationary Impact

93SM0048C Caracas EL NACIONAL in Spanish 21 Oct 92 p D8

[Article by Ana Diaz]

[Excerpts] The inflationary impact of the implementation of the new electricity rates is small, because they represent less than 10 percent of the total costs of nonresidential (industrial and commercial) customers, which translates into 2 percent of the cost of the finished products. The studies conducted by the Electric Power Regulatory Commission (CREE)—which served as the basis for the new rate schedule—indicate that no significant part of the increases in the electricity rates for industry and commerce is likely to be passed on to the ultimate consumer.

Moreover, in calculating these rates the CREE postulated national inflation rates of 30 percent this year, 20 percent in 1993, and 15 percent in 1994 and adapted the electricity rate schedule to these parameters of inflation. However, inflation in 1992 (which as of today is 24 percent but at the end of the fiscal year will exceed the government's estimate of 30 percent) is running ahead of the rate forecast by the commission, and an additional inflationary impact on electricity rates for the consumer cannot be ruled out.

Another significant factor employed by the CREE in its effort to calculate electricity rates that would have only a very slight inflationary impact is the rate schedule, which provides for equal monthly adjustments during the 36 months that the schedule will be in effect. The schedule is so gradual and so slow in making these adjustments that the inflationary impact is not immediately apparent, except for the special payments.

These special payments consist of a single adjustment next January for the nonresidential sector and an adjustment in two equal installments (in January 1993 and January 1994) for residential customers. "These new rates are an initial step in the process of establishing a national policy on electric power that will in time eliminate the existing distortions in the nation's energy consumption pattern," a highly placed source on the commission stated.

Article 7 of the Joint Decree of the Energy and Mines Ministry (MEM) and Development Ministry authorizing the new rates and published in Special Edition No. 4,478 of the GACETA OFICIAL opens the way for a qualitative change involving the competitive supply of energy by the power companies to nonresidential users. This Article 7 is the initial step in opening up the electric power sector to competition—a process which for the time being is limited to the sale of Edelca [Caroni River Electrification Project] and Cadafe [Electrical Administration and Development Corporation] to other electric power companies of the interconnected system.

During the medium term, however, the monopoly relationship between a single electric power system and its customers will be corrected. For example, a company such as the Caracas Metro could choose the supplier that offered it the best price and service rather than be tied to a single company as at present.

Public Sector

Our source explained that until now it was the rates of private companies such as Caracas Electric Power [Elecar] that were subjected to the closest scrutiny, when it is the companies in the public sector that have the greatest installed capacity (15,852 megawatts compared to 2,162 for the private sector); the most sales (37,658 gigawatts per hour compared to 1,010) [figures as published]; and the largest number of subscribers (2.38 million compared to 1.02 million). For the public companies, this rate schedule will provide an opportunity for regionalization of their activities, which in the case of Cadafe will promote greater efficiency in its sales, distribution techniques, methods of payment, delivery of service, and payment of past-due bills to its suppliers.

Moreover, it will improve the basis for attracting offers to buy electric power companies in order to privatize them. The CREE maintains that the privatization process should take place gradually rather than all at once. Enelbar [expansion unknown] and Enelven [expansion unknown] will accordingly be the first companies to be privatized—and if the experience is satisfactory, the rest will follow.

The huge investments made in the public electric power sector in the past—despite the inefficiency and corruption—have made it possible for more than 90 percent of Venezuela to be electrified. A new stage is now incumbent on the public electric power sector—a stage in which the public companies will have an efficient and healthy administration in accordance with the technical parameters of the new rate schedule, which are oriented in that direction.

With reference to the conditions for implementation of the new rates by the public and private electric companies, it should be noted that financing and debt service operations are not covered in the new rate schedule. These operations must be paid for by the companies themselves, using the revenue obtained under the rate schedule.

The new rates do enable the companies to cover their investments and operating costs in connection with the production of electricity. The companies will be able to pass on to their customers, any adjustment for an

increase in the cost of energy, which at the present moment is represented by the increase in the price of electricity supplied by Edelca and Cadafe. Any future rise in the price of fuel (natural gas, fuel oil, and diesel oil) will be reflected in the consumers' light bills.

Fedecamaras' Analysis Viewed

93SM0048D Caracas EL NACIONAL in Spanish 23 Oct 92 p D8

[Article by Rosita Regalado]

[Excerpts] The new electricity rates for the manufacturing sector should not play a significant role in establishing new prices for goods of mass consumption, because the analyses made by Fedecamaras [Venezuelan Federation of Associations and Chambers of Commerce and Industry] and by the Venezuelan Chamber of the Electrical Industry show that such an increase would be 2 percent, which can be diluted in other areas of the cost structure rather than devolve upon the consumers. [passage omitted]

In other areas of the private sector, it is believed that the companies themselves will determine their cost structure on the basis of the new electricity rates, inasmuch as the National Executive Decree provides for individual readjustments. An increase of 20 percent is provided for manufacturers and merchants on a step-by-step basis beginning in December of this year and ending in October 1995.

Fedecamaras' tables indicate that the overall increase for companies will be 2 percent for big companies, slightly less than 1.5 percent for medium-sized industry, and less than 1 percent for small industry.

Impact of Electricity Costs on the Gross Value of Manufacturing Sector Production (all figures are percentages)

Code	Description	1984	1987	1990
311-312	Food Products	0.72	0.77	0.96
313	Beverages	0.61	0.61	0.84
314	Tobacco	0.08	0.19	0.19
321-322	Textiles-Clothing	0.78	0.91	1.76
323-324	Leather, Furs, Footwear	0.78	0.91	1.76
331	Lumber and Rubber	1.25	1.26	1.96
332	Furniture and Accessories	0.75	0.65	1.34
341	Paper and Cellulose	0.89	0.98	1.19
342	Graphic Arts	0.69	0.67	1.01
351-352	Chemical Substances	0.33	1.59	1.09
353-354	Petroleum Refineries	0.17	0.06	0.03
355	Automobile Tires	1.16	1.17	1.49
356	Plastics	1.70	1.54	2.66
361-362	Ceramic and Glass Products	1.29	1.39	1.89
369	Nonmetallic Mineral Products	2.62	2.39	3.14
371	Basic Iron Industry	2.93	2.35	2.84
372	Basic Nonmetallic Industry	3.78	4.31	7.06
381	Metal Products	0.95	0.88	1.17
382-383	Machinery	0.72	0.62	1.08
384	Transportation Equipment	0.54	0.83	0.97
385-390	Other Industries	0.68	0.71	1.32
—	Average	0.90	1.01	1.43

With this information in the hands of businessmen and labor leaders, it is hoped that consumers will be warned so that speculators—by using their freedom to set their own prices on merchandise—will not take them by surprise and impact the family budget even more, thereby heightening the social malaise.

The CTV [Confederation of Venezuelan Workers] has meanwhile commissioned its economic advisers to prepare a study with a view to preparing for the possibility of an outburst of speculation based on the two elements that attract speculators: the price of the dollar against the bolivar, and the increases in the cost of producer goods. [passage omitted]